



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

MEETING OF THE PARLIAMENT

Wednesday 23 April 2014

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Scottish Parliament

Wednesday 23 April 2014

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

Portfolio Question Time

Justice and the Law Officers

Police Personnel (Complaints)

1. Linda Fabiani (East Kilbride) (SNP): To ask the Scottish Government how complaints made by serving police personnel against their police forces prior to the formation of Police Scotland are being dealt with. (S4O-03116)

The Cabinet Secretary for Justice (Kenny MacAskill): Complaints made by serving police personnel against their police force prior to the formation of Police Scotland are now a matter for Police Scotland or for the Scottish Police Authority, for complaints by senior police officers. Police personnel who feel that they have been treated unfairly can raise their concerns formally through grievance procedures and can seek advice from their staff association or trade union.

Linda Fabiani: Almost a year ago, I wrote to the Scottish Police Authority on behalf of a serving police officer, who is one of my constituents, about a complaint not having had a response. A year down the line, we are no further on. I say to the cabinet secretary that police officers have rights, just as the rest of us have. The kind of uncertainty that is hanging over my constituent causes stress and strain to police officers and their families.

I ask the cabinet secretary to deal with the Scottish Police Authority and to have a chat with it about complaints generally, to find out whether delay in dealing with complaints is a normal state of affairs, and to work out how to move my constituent's case on and give serving police officers a better deal when they make complaints to their authority.

Kenny MacAskill: I take on board the points that Linda Fabiani has made, which are clearly of great significance to the officer concerned and his family. Such situations can affect an officer's record and can have financial consequences. Fundamentally, though, such matters are for Police Scotland or the SPA, if a complaint leads to a formal grievance being raised. I think that the Government and Parliament would have expected when we passed the relevant legislation that such matters would be dealt with in good time.

Obviously, I am constrained by the legislation in respect of what I can do, but I advise Linda

Fabiani that I meet the chief constable and the chair of the SPA regularly—in fact, I met the chief constable yesterday—and that I am happy to undertake to raise with them the timescale issue to which she has referred. Clearly, such a matter would normally be raised by the Scottish Police Federation or the Association of Scottish Police Superintendents, but I am happy to undertake to put the issue that she has raised on the agenda for discussion with Police Scotland and the SPA. It will be for them to decide and to act on the issue. However, Parliament expects—appropriately—such matters to be dealt with as expeditiously as possible.

Police Scotland (Employment of Women)

2. Jackie Baillie (Dumbarton) (Lab): To ask the Scottish Government what measures Police Scotland is taking to ensure that women face no barriers in joining and staying in the police force. (S4O-03117)

The Cabinet Secretary for Justice (Kenny MacAskill): The recruitment, selection and promotion processes for police officers and police staff are a matter for Police Scotland and the Scottish Police Authority. Police Scotland set out, in its recently published corporate strategy, plans to diversify its workforce through promotion of attractive, inclusive and responsible practices, including exploring alternative flexible recruitment options in order to build a more diverse workforce. Police Scotland has not published statistics for the first year of the new service, but figures show that the percentage of police officers who were female was 27.5 per cent in 2013, compared with 18.7 per cent in 2003. I note that in the recent superintendent promotion process, 69 per cent of female applicants were successful, compared with 55 per cent of their male colleagues being successful.

Jackie Baillie: I thank the cabinet secretary for that response, but it is obvious that comparing percentages does not actually tell us the number who applied. He will be aware of fears that have been expressed by a senior police officer in *The Scotsman* and which have been backed by the Scottish women's development forum that suggest that Police Scotland is in danger of creating a culture in which women are discouraged from going for promoted posts. Although the number of promoted posts has increased—which I welcome—when we consider the rank of superintendent and the ranks above that, we find that on average 12 per cent of posts are occupied by women. What action can the cabinet secretary take to encourage Police Scotland to improve matters for women officers?

Kenny MacAskill: I am happy to encourage Police Scotland and, indeed, the Scottish Police

Authority, to do more. I do not think that I need to do much, because I am pushing at an open door and they recognise that. It has been a privilege, during my tenure in office, to have accepted the appointment of Norma Graham as the first female chief constable, and to have that followed by the appointment of Justine Curran as chief constable in Tayside.

Both Vic Emery and Sir Stephen House accept that more needs to be done. However, we see progress not only with Deputy Chief Constable Fitzpatrick but with other senior officers coming through. We have come a long way. We should welcome the fact that we are getting close to 30 per cent of police officers being female. I think that Police Scotland and the SPA recognise that there must never be a glass ceiling. I am happy to give an undertaking, as I did to Linda Fabiani, to raise the issue with Vic Emery and with Sir Stephen House to ensure that more that can be done will be done.

The Presiding Officer (Tricia Marwick): Question 3, in the name of John Finnie, has not been lodged. The member has provided an explanation.

Criminal Justice (Scotland) Bill

4. Annabel Goldie (West Scotland) (Con): To ask the Scottish Government what steps it is taking to address the reported criticism of the Criminal Justice (Scotland) Bill. (S4O-03119)

The Cabinet Secretary for Justice (Kenny MacAskill): The Scottish Government remains firmly committed to all aspects of the Criminal Justice (Scotland) Bill, including our proposals to abolish the requirement for corroboration, which—as I have said time and again—is a barrier to justice for too many victims of crimes that are committed behind closed doors, such as rape and domestic abuse.

When we announced the creation of Lord Bonyon's review group in February, there were calls—including from the Law Society of Scotland and the Faculty of Advocates—for us to remove the corroboration reform from the bill and to introduce a separate bill later in the session once Lord Bonyon had reported. That was not acceptable, because it is one of the key reforms in the bill and is vital to improvement of the criminal justice system for vulnerable victims.

However, we have also made clear our willingness to listen to constructive proposals in relation to this key legislation. That is why we gave careful consideration to—and, in the spirit of co-operation, have accepted—the suggestion from Opposition members that stage 2 commence after Lord Bonyon's review has been completed.

As the majority of the bill's provisions were already due for implementation in 2015-2016, today's move will have minimal impact on the overall timetable for the legislation, while allowing detailed and full scrutiny of the bill in its entirety and enabling any changes that are agreed in the light of Lord Bonyon's recommendations to be included.

Most important, I hope that the move will allow the whole Parliament to get behind the progressive reforms in the bill, including the modernising of police powers, enhancement of the rights of people in police custody and removal of the corroboration requirement.

Annabel Goldie: I do not know whether it is the spring sunshine, the Easter recess or my question, but this is certainly a very welcome change of position by the Scottish Government. It has made the right decision to allow more opportunity for informed opinion to be extended on the bill's provisions. I thank the cabinet secretary for reflecting a degree of political courage in making that decision and for adopting that changed position.

Can I tempt the cabinet secretary further down the path of righteousness? The Scottish Government is to amend the bill at stage 2 to address the nonsense of automatic early release. We have waited seven years for that: better late than never.

However, the proposed changes will affect only a minuscule proportion of prisoners—2 per cent. That is not change—it is glacial progress. Given the manifestation of the benevolent mood that the cabinet secretary appears to be in at the moment, I ask him to consider extending abolition of automatic early release to a broader range of prisoners than just that 2 per cent.

Kenny MacAskill: I thank Annabel Goldie for her kind comments. I am grateful for the suggestion that came from her and other political parties regarding the innovative procedure that we are using. I very much welcome it.

On the specific matter of automatic early release, we require primary legislation to make the necessary changes. This Administration will consider whether that should be delayed or whether it can be dealt with in other legislation that is in train. With regard to the principal aspects, we believe that the changes will deal with the most serious offenders—those who are given sentences that reflect the courts' concerns—and will take on board our concerns about automatic early release of sexual offenders being at a significantly lower level in order to ensure the protection of the public.

I am happy, given the spirit of generosity in which Miss Goldie asked her question, to reflect on her points as we consider the best method of

proceeding, in order to ensure that we make long-overdue changes to automatic unconditional early release.

The Presiding Officer: Given the statement that the cabinet secretary has made, and given the importance that I attach to such important statements being made first to the Parliament, I intend to allow sufficient time to call supplementary questions from each of the political parties.

Neil Findlay (Lothian) (Lab): On a point of order, Presiding Officer. Given the significance of what the cabinet secretary has said, would not it have been more relevant for him to come and make a statement to Parliament?

The Presiding Officer: I have to say, Mr Findlay, that that is precisely what the cabinet secretary has done; this is one of the methods that we encourage the Scottish Government to use to make announcements to Parliament. My point is that I appreciate that an important statement has been made to Parliament and fully intend, as I said, to ensure that all the political parties have an opportunity to ask supplementary questions of the cabinet secretary.

I call Alison McInnes.

Alison McInnes (North East Scotland) (LD): Thank you, Presiding Officer. I also thank the cabinet secretary for responding so positively to the suggestion from the Opposition business managers on a sensible way to legislate on an important part of our criminal justice system. The stage 1 debate was, to be fair, a low point for the whole Parliament, because it demonstrated that we had lost sight of how we should legislate. The appointment of Lord Bonomy's review panel meant that the cabinet secretary knew that the bill as drafted was deficient, although at that point he was unable to say that we ought to stop and take stock, so I am grateful that he now recognises that we need to wait for Lord Bonomy to report before we consider in detail all the matters in the round.

Kenny MacAskill: I am grateful for the suggestion and I welcome the input from Alison McInnes. We were not always going to wait for Lord Bonomy's review, but what has been proposed is a welcome and innovative procedure. I thank Alison McInnes, as I did Annabel Goldie.

Elaine Murray (Dumfriesshire) (Lab): I express pleasure that the cabinet secretary has listened to the Opposition. We do not always expect the Government to do that, but in this case it has done so. It would have been inappropriate to pass legislation without seeing how it was to be amended, and I am pleased that we are not going to be expected to do that now. Can he give us further information about the timescale in which he expects Lord Bonomy to report to him, and

therefore the timescale for the commencement of stage 2?

Kenny MacAskill: First, allow me to record my gratitude to Lord Bonomy. I welcome his actions in extending the membership of the review group. I will be seeking a meeting with Lord Bonomy to update him in due course. I understand that the first meeting of the group has taken place. We anticipate that Lord Bonomy will report in April next year, which he thinks is a timetable that is perfectly deliverable, based on previous discussions. As I have said, that is a matter that we will factor in with the Parliamentary Bureau and with Elaine Murray's colleagues.

Margaret Mitchell (Central Scotland) (Con): I welcome the announcement that stage 2 is to be postponed, which takes cognisance of real concerns throughout Scotland—that is not to overstate the case—about the proposal to abolish the requirement for corroboration. However, I feel that there is nothing for the Government now to fear in including in Lord Bonomy's review consideration of whether to abolish it or not. In fact, I consider it to be crucial that that be done, so I would very much appreciate the cabinet secretary's confirming that he is willing to include that in the Bonomy remit.

Kenny MacAskill: I welcomed Annabel Goldie's comments and I am grateful that the Tories, along with Labour and the Liberal Democrats, came up with the proposal, which the Government is happy to accept. However, I have to record that there will be no change to the remit for Lord Bonomy's review. We have met him to discuss the remit, and he has signed up to it, as has everyone who will serve with him on his group.

As far as the Government is concerned—and as Parliament made clear at stage 1—the case against the requirement for corroboration has been made. It is failing victims throughout Scotland, so it has to go. On that basis, we are prepared to allow greater scrutiny of some matters so that Parliament can have more clarity about them, but the principle of removal of the requirement for corroboration remains.

Cashback for Communities (Carrick, Cumnock and Doon Valley)

5. Adam Ingram (Carrick, Cumnock and Doon Valley) (SNP): To ask the Scottish Government how much it has invested or committed to activities for children and young people in the Carrick, Cumnock and Doon Valley constituency under the cashback for communities programme. (S4O-03120)

The Cabinet Secretary for Justice (Kenny MacAskill): We publish the breakdown of annual cashback expenditure by local authority area, and

a total of £661,276 and £787,842 has been spent on projects in South Ayrshire and East Ayrshire respectively, which span the member's constituency, between 2008-09 and 2012-13.

We will publish figures for the financial year 2013-14 once they have been validated. As we approach Scotland's Commonwealth games this summer, we are also considering an application for up to £300,000 of cashback funding for a new state-of-the-art multi-use 3G sports facility to be built for Cumnock Juniors Youth Football Club and Cumnock Rugby Football Club.

Adam Ingram: I welcome that announcement. I would be grateful if the cabinet secretary could send me a list of the awards in my constituency, with an outcome analysis, if one has been done.

What plans does the cabinet secretary have to develop the programme further?

Kenny MacAskill: I announced last year that we will be extending and enhancing the cashback for communities scheme to invest a further £24 million of criminals' money over the next three years to deliver this Government's commitment to continue to expand the hugely successful programme.

Recently, I had the pleasure of announcing the next tranche of £2.25 million cashback funding for the Scottish Football Association at Shawlands academy, and I will be making a raft of further announcements to herald cashback funding for other individual sporting, cultural, employability and youth work projects over the coming weeks and months.

I thank the member for his interest in the cashback scheme, and I will ensure that he is provided with a list of cashback awards in the Carrick, Cumnock and Doon Valley constituency. They are many and multifold, so it would take too much time to go through them in precise detail today.

Trunk Road Patrol Group

6. Mary Scanlon (Highlands and Islands) (Con): To ask the Scottish Government how the trunk road patrol group has performed since it was established. (S4O-03121)

The Cabinet Secretary for Justice (Kenny MacAskill): The creation of the trunk road patrol group is just one example of the benefits of a single service, with specialist resources now being deployed across Scotland, wherever and whenever they are needed.

The Scottish Government welcomes the creation of the trunk road patrol group and, in particular, the addition of a base in Fort William. The new unit has already contributed to the

improvement of response times to incidents in the west of Scotland.

Tackling road safety and road crime is a key priority for Police Scotland, and that is reflected in the annual police plan.

The Scottish Government does not monitor the performance of the trunk road patrol group. Any assessment of the performance of specialist teams and resources is an operational matter for Police Scotland.

Mary Scanlon: I would always welcome any bases in the Highlands.

Can the cabinet secretary confirm that trunk road policing is sufficiently resourced in all divisions, particularly the northern division? Can he confirm whether targets were set with regard to the number of penalty notices that are issued for driving offences in the first year and future years?

Kenny MacAskill: Those are, fundamentally, matters for the chief constable. However, from my discussions with him, I can say that, as far as I am aware, no such targets have been set. That has been discussed on this issue and on others.

On the situation in the north of Scotland, I can say, from my engagement with the police, that the breaking down and ending of the artificial barriers that existed between constabularies that were set up in a manner that did not necessarily have any geographical logic means that matters are now better dealt with; Police Scotland can ensure that trunk road patrolling can go wherever is necessary as it is not dictated to by issues around moving from, for example, the former Northern Constabulary's area into the former Tayside Police's area. There is a huge improvement in the situation, and I am glad that Mary Scanlon welcomes the establishment of the unit in Fort William.

Offensive Behaviour at Football and Threatening Communications (Scotland) Act 2012

7. Siobhan McMahon (Central Scotland) (Lab): To ask the Scottish Government whether it considers that the Offensive Behaviour at Football and Threatening Communications (Scotland) Act 2012 criminalises football supporters. (S4O-03122)

The Cabinet Secretary for Justice (Kenny MacAskill): No. The Scottish Government does not consider that the Offensive Behaviour at Football and Threatening Communications (Scotland) Act 2012 criminalises football supporters. The act is intended to tackle sectarian and other offensive behaviour that has tarnished the image of football in Scotland.

The act is clear: do not indulge in behaviour that is likely to incite public disorder and expresses hatred towards others when attending, or travelling to or from, a regulated football match. Indeed, in a poll carried out by Panelbase in mid-October 2013, 69 per cent of respondents expressed support for anti-sectarian football legislation.

Siobhan McMahon: As the cabinet secretary is aware, there has been severe criticism from fans groups regarding police tactics and how the legislation is being implemented. Indeed, I understand that football fans protesting against the 2012 act at the cabinet secretary's recent party conference were issued with an order under section 12 of the Public Order Act 1986 by Police Scotland shortly after they had stepped off the bus. Is the cabinet secretary aware of that and what steps is he taking to address it?

Given that a majority of football fans, along with a number of defence lawyers and sheriffs, believe that the 2012 act is ineffective and unpopular, does the cabinet secretary agree that it is now time to axe the act?

Kenny MacAskill: No, I do not. As I say, there is overwhelming public support for the 2012 act. We have committed to review it and that review is under way. It has been welcomed by all right-minded people the length and breadth of the country. What was perceived as a bit of banter is actually quite offensive and threatening in many instances. Scotland is a better place, and Scottish football is better, for the actions that are being taken by police and law enforcement agencies.

Rural Affairs and the Environment

European Funding (Additional Coupled Support)

1. Colin Keir (Edinburgh Western) (SNP): To ask the Scottish Government what recent discussions it has had with the European Union Commissioner for Agriculture and Rural Development regarding Scotland's additional coupled support entitlement. (S4O-03126)

The Cabinet Secretary for Rural Affairs and the Environment (Richard Lochhead): The European Commission informed me in early April that it was not possible to use the United Kingdom-wide flexibility on coupled support to enable Scotland to go beyond the 8 per cent limit, reversing the position taken by Commissioner Ciolos when I met him in February along with the UK minister.

I discussed that apparent U-turn with the Commissioner on 10 April, and my officials subsequently met Commission officials on 16 April. I am pleased to say that, following that intervention, the Commission is now engaging

constructively with us to try to find a workable solution.

I hope that the matter can be resolved quickly. However, any solution has to be agreed with the UK Government and I hope to have its full support on the issue, given that it offered the concession on the limit when it rejected our legitimate calls for the full convergence money that was available to the UK.

Colin Keir: Does the cabinet secretary agree that, thanks to the UK Government, we are being denied the full €223 million pillar 1 convergence uplift, the extra coupling support and the red meat levy for livestock killed south of the border? Is it not time for Scotland to have a seat at the top table in Europe as an independent nation before the next common agricultural policy negotiations in 2017 to ensure that we are never short changed again?

Richard Lochhead: The member makes a fair point. Only because others represent us in Europe and negotiate on our behalf do we have some really tough decisions to take, given our small budgets. Indeed, we are now bottom of the funding league in Europe for pillar 1, which is direct support for agriculture, and pillar 2, which is rural development funding. There is no way whatever that, as an independent state, we would be bottom of the funding league in Europe. Scotland has had to learn that harsh lesson over the past year or two, which vindicates the case for a yes vote in September.

However, we have some tough decisions to take. We will take them in the coming weeks and, as far as we can with the limited resources available, for the benefit of Scottish agriculture.

Alex Fergusson (Galloway and West Dumfries) (Con): I will be innovative and ask a supplementary question that relates to the question lodged.

The NFU Scotland president recently held talks with Commissioner Ciolos at which he pressed the case for further coupled payments to be directed towards the sheep sector. That appears to have been sympathetically received but, when I asked the cabinet secretary about that recently in committee, he seemed to indicate that it would be extremely difficult to achieve that end. Will he now clarify how he will use any extra coupling that is negotiated?

Richard Lochhead: As the member knows, we are limited to 8 per cent of our national budget being used for coupled support schemes, and we have said that would use all of that 8 per cent, as laid out in the consultation, for the beef sector. If we are able to secure flexibility beyond 8 per cent, we will clearly have the option of considering a sheep scheme as well as a beef scheme. We will

discuss that with stakeholders, as we are doing at this point in time. Of course, we also have to have a plan B, in case we do not achieve the extra flexibility beyond 8 per cent.

I have just left a meeting with Owen Paterson, the UK Secretary of State for Environment, Food and Rural Affairs. I made the point to him that we need the UK Government's support if a solution is indeed offered by the Commission to use a UK scheme to help deliver extra flexibility for Scotland, not a Scottish scheme, which is apparently not allowed under the regionalisation of the common agricultural policy. We need the UK Government's support to make that happen, and we await that. I have asked the secretary of state to get back to me within a matter of days so that we can have the confidence that, if we find a solution with Europe, we can use it.

Climate Change (Scotland) Act 2009 (Targets)

2. Claudia Beamish (South Scotland) (Lab): To ask the Scottish Government whether it will revise the annual greenhouse gas emission reduction targets set out in the Climate Change (Scotland) Act 2009. (S4O-03127)

The Minister for Environment and Climate Change (Paul Wheelhouse): The Scottish Government remains committed to the interim target of a 42 per cent reduction in greenhouse gas emissions by 2020 and the target of an 80 per cent reduction by 2050, as set out in the Climate Change (Scotland) Act 2009.

However, the Scottish Government agrees with the advice of our independent advisers, the Committee on Climate Change, that revisions to the methodology for estimating emissions, which have added more than 2 million tonnes of carbon dioxide equivalent to Scotland's emissions in almost every year from 1990 onwards, will continue to make the achievement of fixed annual targets, as set in secondary legislation, more difficult.

The committee advises that there are two basic options for addressing that: to adjust the statutory annual targets to allow for the inventory revision; or to find additional opportunities to reduce emissions that go beyond current and proposed policies. The Scottish Government will closely examine both the options that have been identified to address the challenge that the revisions to the methodology have created.

Claudia Beamish: I thank the minister for that clear answer. Does he agree with me that if more policies and actions, rather than proposals, come through the current and the next report on proposals and policies, it will still be possible to hit the remaining annual targets? That is not a simple question to answer in the chamber, I appreciate.

Could the minister also provide details of any interdepartmental discussions in recent months about transformational change and conflicting policies, and about low-carbon investment?

Paul Wheelhouse: The question is indeed complex, but I will answer it as best I can.

On the first point, about the approach that we are taking, we are seeking to convert as many proposals to policies as we can in RPP2. The Climate Change (Scotland) Act 2009 sets out a requirement for the Government to produce proposals and policies. It is obviously our intention to convert proposals into policies over time. We are always looking for opportunities to strengthen our action where we can do so. I take the point and assure the member that that is constantly at the front of my mind.

On interdepartmental discussions, I can confirm that discussions are on-going about issues such as sustainable active travel with Keith Brown and colleagues and that we are also considering issues with colleagues in housing and other departments through the delivery board, which happens at Scottish Government level, and with the rest of the public sector, in particular through the public sector climate leaders forum, in which Ms Beamish participates as an observer on behalf of the Rural Affairs, Climate Change and Environment Committee.

I assure her that we are considering such matters and that we seek to strengthen our low-carbon action wherever we can.

The Presiding Officer: Before I move to question 3, I say to members that I really do want to make progress through this set of portfolio questions. I would appreciate it very much if the questions and the answers were as brief as possible.

Agriculture (Scientific Research and Innovation)

3. Margaret McCulloch (Central Scotland) (Lab): To ask the Scottish Government how it promotes scientific research and innovation in agriculture. (S4O-03128)

The Cabinet Secretary for Rural Affairs and the Environment (Richard Lochhead): I will stick to the first paragraph of my answer.

The Scottish Government provides an annual investment of around £30 million for agricultural scientific research and innovation, delivered through our world-leading research institutes, universities and Government divisions and agencies.

The Presiding Officer: The cabinet secretary listened, so let us make this answer brief, too.

Margaret McCulloch: I will try my best, Presiding Officer, but I cannot promise.

The white paper suggests that, if there were a yes vote this September, scientists and researchers based here in Scotland would continue to benefit from United Kingdom research spending, but it does not explain how. It does not explain why the rest of the UK would continue to subsidise Scotland, and it does not set out any contingencies if the Scottish Government does not get its way.

Is it not clear that only devolution can guarantee Scotland the best of both worlds, with the power to grow our agriculture sector without putting UK research funding at risk?

Richard Lochhead: When Scotland votes yes—I must correct Margaret McCulloch on that—we will pursue the solution of a common research area. At present, research contracts in Scotland are won on merit not only from the rest of the UK but from Europe, which provides an increasing number of research grants to our fantastic research institutions in Scotland.

If Scotland were to remain part of the UK and the UK were to leave Europe, our research institutes would potentially lose those European research contracts. That would be bad news and is—I would argue—the biggest threat to research institutions in this country.

We have common research projects across these islands even on devolved matters, and I have no doubts whatever that that situation will continue under independence.

The Presiding Officer: Nigel Don has a supplementary.

Nigel Don (Angus North and Mearns) (SNP): I will try to make it a supplementary to the previous three questions—

The Presiding Officer: We need it to be brief, Mr Don.

Nigel Don: Will the cabinet secretary tell us a bit more about the green cow project, which is looking at ways to reduce the amount of methane from our livestock?

Richard Lochhead: To answer very briefly, I was involved in launching the excellent green cow project in March 2011. The idea behind it is to reduce the carbon footprint of livestock production in this country, particularly in the beef sector. Our environmental footprint from cattle farming is already much smaller than that of other countries, but nevertheless we must continue to look at how we can reduce our carbon footprint even further. The project is a great and world-leading facility, and I am sure that it will pay dividends for

Scotland's green and clean image in food production in the future.

Flooding (Assistance to Farmers)

4. Murdo Fraser (Mid Scotland and Fife) (Con): To ask the Scottish Government what assistance it is providing to farmers adversely affected by severe flooding. (S4O-03129)

The Minister for Environment and Climate Change (Paul Wheelhouse): I will stick to the first paragraph of my notes, Presiding Officer.

I recently met the president of the National Farmers Union Scotland, along with Scottish Government and Scottish Environment Protection Agency officials, to discuss a number of issues around flood risk management. In addition to hearing how a number of individual farm businesses were affected by the severe weather, I heard about the practical benefits of the changes that were made to SEPA's river engineering regulatory controls last year in allowing farmers to undertake appropriate repairs to their properties.

Murdo Fraser: I thank the minister for his response, but it does not sound as if a lot of practical assistance is being offered. I remind him that, in response to severe flooding incidents south of the border, the Westminster Government has established a farming recovery fund with grants of up to £35,000 per affected farmer. Will the Scottish Government consider doing something similar?

Paul Wheelhouse: I kept my first answer brief, Presiding Officer, but we are offering a number of measures through which we are helping farmers in a practical way to understand what provision exists in Scotland. We updated our procedures last year, before the recent flooding events, to make it easier for farmers to address dredging and river management issues.

We gave practical support and advice to NFUS delegates who attended the meeting, which will help by impacting positively on the farms that have recently been affected in Dumfries and Galloway and in Ayrshire. I am happy to provide further information about what we said to NFUS at the meeting.

Common Agricultural Policy Payments (Orkney)

5. Liam McArthur (Orkney Islands) (LD): To ask the Scottish Government what steps it will take to mitigate the impact on Orkney of the move from a historic to an area basis for payments under the reformed common agricultural policy. (S4O-03130)

The Cabinet Secretary for Rural Affairs and the Environment (Richard Lochhead): Common

agricultural policy reform represents a significant change as we move from historic to area-based payments and, inevitably, the changes will affect our agriculture sector in different ways. I am aware of the concerns expressed by some areas, and my officials have been working closely with local farmers in Orkney to help them understand more fully the potential impact of CAP reform. I look forward to meeting representatives from Liam McArthur's constituency in the coming days.

Liam McArthur: I thank the cabinet secretary for that response, for the help from his officials and for the offer of a meeting later this month. As he said, the move to area-based payments looks likely to trigger a reduction in economic activity on Orkney farms. That will have a serious knock-on effect on the wider economy—not just on the agricultural supply sector, which includes veterinary services and construction businesses, but on local shops and schools and possibly on transport links. What measures can the cabinet secretary put in place to ensure that support is targeted at active island farmers, including those who are not currently eligible for support?

Richard Lochhead: On my visits to Orkney I cannot help noticing that livestock production in particular plays a very important part in the local economy, and I know that Orkney's beef sector is renowned. For those reasons, I am taking very seriously the concerns that Mr McArthur's constituents have expressed, and I am paying close attention to the issue. Of course, some of the initial projections suggest that there are potential increases for some of the islands. However, the situation is complex and I am keen to meet local representatives to hear their concerns and ideas directly.

Food and Drink Industries (Kilmarnock and Irvine Valley)

6. Willie Coffey (Kilmarnock and Irvine Valley) (SNP): To ask the Scottish Government how it supports the food and drink industries in Kilmarnock and Irvine Valley. (S4O-03131)

The Cabinet Secretary for Rural Affairs and the Environment (Richard Lochhead): The Scottish Government recognises that Scotland's food and drink businesses, both large and small, are a key part of our economy and the Government is doing all it can to make sure that they continue to make that contribution. I believe that our food policy benefits Ayrshire, which already makes a substantial contribution, as well as many other parts of the country.

Willie Coffey: The cabinet secretary will of course be aware of local companies such as the five-star-rated Cook School Scotland; the makers of the award-winning Dunlop cheese; and Varani's, the ice cream maker, which has been in

Kilmarnock since the 1930s. Recently, Brownings the Bakers won awards for its world-famous Killie pies. Will the cabinet secretary agree to visit my constituency in the near future to meet local food producers and taste for himself the fine products that make a great contribution to Scotland's larder?

Richard Lochhead: I will go anywhere for a Killie pie, so I will happily get my office to contact Willie Coffey as soon as possible to set up a visit. I had the privilege of visiting Braehead Foods in Kilmarnock a while back, which is a great, growing business and is a sign of Willie Coffey's constituency's fantastic food and drink credentials. That particular business is driven by Craig Stevenson, who is a big character and does a great deal for the local economy. I will be happy to visit that area.

The Presiding Officer: We now know who ate all the pies.

Sea Eagles (Impact on Crofting)

7. Jean Urquhart (Highlands and Islands) (Ind): To ask the Scottish Government what the impact is on crofting of the reintroduction of sea eagles. (S4O-03132)

The Minister for Environment and Climate Change (Paul Wheelhouse): There has been no specific study of the impact of reintroduced sea eagles—or white-tailed eagles—on crofting, although the Scottish Government has funded two research exercises to examine the feeding patterns of sea eagles. We accept that sea eagles may sometimes take lambs, which may have a financial impact on crofters. However, the evidence from the research that has been carried out in studies in Mull and Gairloch points to sea eagles taking very few lambs, and it is not always clear whether those lambs are alive and well, or sickly, or even dead, at the time they are taken.

Scottish Natural Heritage has run a sea eagle management scheme for a number of years. The scheme is operated in conjunction with NFU Scotland, the Scottish Crofting Federation and RSPB Scotland. The scheme is currently under review, with a view to providing better and more targeted support and practical advice to crofters and farmers.

It is also worth pointing out that sea eagles have a positive economic impact on crofting communities. An independent study in 2011 concluded that resident sea eagles bring in £5 million to the Mull economy each year and support up to 110 jobs in the tourism sector.

Jean Urquhart: At the last meeting of the cross-party group on crofting, we heard from Willie Fraser, a crofter from Gairloch who loses an average of 20 lambs a year to sea eagles, which

has an obvious adverse impact on his livelihood. Does the minister believe that the Scottish Crofting Federation's recent suggestion of following the Spanish example of leaving dead livestock out for predators could help to mitigate such losses?

Paul Wheelhouse: I am not familiar with the Spanish example, but I am happy to look at it on behalf of Jean Urquhart. I am aware of a number of cases in which diversionary feeding tactics are used to limit the impact on livestock of different raptor species. I am happy to look at that issue and correspond with Jean Urquhart on it.

Working Dogs (Tail Docking)

8. Graeme Dey (Angus South) (SNP): To ask the Scottish Government what its response is to calls to allow the docking of tails of working dogs. (S4O-03133)

The Cabinet Secretary for Rural Affairs and the Environment (Richard Lochhead): We are currently considering the University of Glasgow's recently published research and we need to gain a clear understanding of how that has altered the views of interested parties in Scotland before we take any decision about how to move forward. We have therefore invited the key veterinary, welfare and countryside organisations to offer their views on the research and say whether it supports a change to the legislation on tail docking by 23 May.

Graeme Dey: As someone who represents a rural constituency, I very much welcome the Government's consultation on this issue. Does the cabinet secretary agree that, as he seeks the views of interested parties, considered, evidence-based input from the gamekeeping fraternity will be particularly welcome, in light of gamekeepers' coalface understanding of the subject?

Richard Lochhead: I recently met gamekeepers outside Parliament to collect a petition and speak to them about their concerns about tail docking legislation. I promised that I would consult them once the research was available, which it now is. I certainly agree that evidence from gamekeepers and others who regularly use working dogs is crucial to inform our consideration of this issue. We ensured that the Scottish Gamekeepers Association, the Scottish Countryside Alliance and the British Association for Shooting and Conservation were all represented on the steering group of the University of Glasgow's research project and we will listen closely to their views in the weeks ahead.

Fuel Poverty

The Presiding Officer (Tricia Marwick): The next item of business is a debate on motion S4M-09747, in the name of Jackie Baillie, on fuel poverty. I give warning that we are extremely tight for time for both debates this afternoon, so we will keep members to their times. I regret that we will be unable to offer any additional time if members take interventions.

14:40

Jackie Baillie (Dumbarton) (Lab): I welcome the opportunity to debate fuel poverty. It is well over a year since we debated the subject in the chamber and I am disappointed that it has taken the Opposition rather than the Government to set time aside.

Our debate comes when fuel bills have been dropping through letterboxes across the country over the past month, and there is nothing like an electricity or gas bill to focus minds, although many people do not have even that choice, as they need to pay up front through prepayment meters. The winter was relatively mild, but people are struggling to pay their fuel bills because of the huge increases in prices. We should make no mistake: such people are not just experiencing fuel poverty; they are plunged into fuel debt—they are facing the worst cost-of-living crisis, the likes of which we have not seen in decades.

I will turn to the scale of the problem. Citizens Advice Scotland has estimated that, between October 2010 and September 2013, price rises from the big six energy firms were eight times higher than the increase in average earnings. CAS also estimated that, by January 2014, the big six suppliers had increased their prices by about 37 per cent, which completely outstripped the 10 per cent inflation rise and the 4 per cent rise in average earnings.

If members need further evidence, research from the Department of Energy and Climate Change indicates that household bills have increased by more than £300 in a mere three years, while small businesses' energy bills have risen by more than £3,000. There is no doubt that costs are going up at an alarming rate.

We also have the Scottish Government's most recent estimate that there are 647,000 fuel-poor households in Scotland. However, that figure is not up to date. It takes us only to the mid-point of 2012 and it fails to take into account the inflation-busting increases in energy bills.

Energy Action Scotland has used the Government's basis of calculation and believes that the figure is nearer 900,000 fuel-poor

households. In the recently published “UK Fuel Poverty Monitor 2013-2014”, Energy Action Scotland estimates that the figure could be just over a million, which is staggering. When we consider that there are about 2.4 million households in Scotland, that means that 40 per cent of all households are affected by fuel poverty. That is the highest figure that I have ever known. It is truly a national scandal that so many people are forced to choose between heating and eating.

Scottish Labour believes that a warm, dry home is a basic human right and that fuel poverty has no place in a civilised, first-world country. I am sure that that view is shared across the chamber. That belief motivated us to introduce the Housing (Scotland) Act 2001. Our commitment was to end fuel poverty by 2016. That was an ambitious target, but rightly so. Supported by all parties, it provided a sharp focus on what mattered and posed a challenge to all of us to deliver on it. We had faced levels of fuel poverty that meant that some 700,000 households were affected. Through our concerted efforts, that dropped to 200,000 households by the end of 2002. Fuel poverty has since been on the rise—most sharply in 2009—and now, in 2014, it is at the highest level ever, of almost 1 million households.

The problem is acute, yet there is much more that we can and should be doing. I say with the greatest respect to the Minister for Housing and Welfare that the problem demands more than a Government amendment that is breathtakingly complacent and focuses yet again on independence. I suppose that that is no surprise. The Government’s press release blames the Tory United Kingdom Government, which is no surprise either. Where is the ambition in the amendment? Where is the recognition that the Scottish Government has a responsibility to help people now? Where is the action to tackle the plight of people who are crying out for help? It should give us all pause for thought when people return food to food banks because the cost of fuel means that they cannot afford to turn on their cooker.

I would understand the Scottish National Party blaming others if it were straining every sinew to tackle the problem, but that is—frankly—not the case. It is the case that the SNP has underspent its budget, apparently for two years in a row. It is the case that the SNP has delayed in delivering money to local authorities although, thankfully, it has allowed them to carry money forward—otherwise, the underspend would be huge. Meanwhile, installers are going to the wall.

Jim Eadie (Edinburgh Southern) (SNP): Jackie Baillie will be aware that the Scottish Government has committed £60 million to local authorities. What figure would the Labour Party commit?

Jackie Baillie: We would seek to match that, but we would go further. I invite Jim Eadie to read our challenge paper on fuel poverty, in which we set out a range of measures that we would take. The issue is not about doing just one thing; it is about ensuring that we get the money out the door.

In her amendment, the minister boasts about the size of the budget, but the truth is that it is about £70 million to £79 million a year rolled up over three years to look like a big figure. As Energy Action Scotland and others have said, the reality is that the Government needs to spend four times that amount if it is to have any hope of meeting the 2016 target. In any case, the Government seems to have a problem—I hope that Jim Eadie acknowledges it—with getting money out the door at a time when no one can deny the scale of need.

We have the changes to the energy companies obligation that the Conservative Government has made. The situation is not ideal, but the Scottish Government has known about those changes for a while and has done little to counter them. There is no challenge from the Scottish Government to the big six. To be frank, the annual tea and buns with the minister and cosy chats will no longer do.

The suggestion that independence will solve all the problems is nonsense. We need only look at renewables. I support renewables and investment in them. We do very well with investment in renewables from the UK Government and get substantially more than our population share. The last time that I looked, we received a third of all investment, yet our population share would be one tenth. In an independent Scotland, the burden of renewables investment would fall on Scottish consumers alone, which would increase the average household energy bill by £875 a year. The minister shakes her head, but that is from an independent report by Citigroup. I will send her a copy so that she can read it.

The Scottish Government’s response is simply not good enough. If we look carefully at the report by the Scottish fuel poverty forum, we see that even it tells us so. The forum’s report touches on whether the Government should change the definition of fuel poverty. The minister ruled out any change to the definition in a previous debate, but any change would be a truly pathetic response to a national scandal on the scale that we are seeing.

We know that fuel poverty disproportionately affects low-income and fixed-income households, the elderly, children and those who are suffering from illness. It is a particular problem in rural areas and in the private rented sector. We need to do more to ensure that rural, remote and off-gas-grid areas are better served by the main fuel poverty

programmes. I understand that legislation to set minimum standards of energy efficiency in the private sector is planned for 2018, but that could be done much more quickly. It looks as though the rest of the UK will have that in place long before us, so there is no reason for delay.

Labour has published a fuel poverty challenge paper that is full of policy ideas and suggestions. We worked with those in the sector who know what needs to be done and our proposals are shaped by their experience. At a UK level, Labour has pledged to freeze energy bills while reforming the energy market and creating a tough new regulator in place of the Office of Gas and Electricity Markets. It is estimated that such a freeze would save consumers £120 and businesses £1,800 a year.

The real prize is reform of the market and not simply moving green levies from bill payers to taxpayers, which is the SNP's proposal. Wholesale costs account for half a bill and green levies account for a fraction of it. SNP MPs singularly failed to support a price freeze when it was debated at Westminster. It is clear—to me, at least, but increasingly to the country—that the SNP is siding with the big six energy companies rather than the ordinary people who are struggling to pay their bills.

There is much that we in Scotland can do. Labour's challenge paper sets out a raft of measures that we could take, including everything from an ambitious house-building programme that would increase the number of energy-efficient homes across the country to paying the living wage to those on the lowest incomes, as well as action on rural areas, the private rented sector, microgeneration and prepayment meters.

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

The Presiding Officer: Jackie Baillie is in her last 10 seconds.

Jackie Baillie: We all know the connection between fuel poverty and poverty in general. Given the scale of the scandal that we face, I ask the minister to rise to the challenge and set up a taskforce to work with us all across the Parliament to tackle urgently the scourge of fuel poverty. By working together, we can put in place the measures that are needed to end fuel poverty by 2016 and make a difference to people's lives.

I move,

That the Parliament notes with concern rising energy prices in the UK, which have increased by over three times the rate of inflation; further notes that many families and older people are now being forced to choose between heating and eating; understands that fuel poverty, as estimated by Energy Action Scotland in its report, *UK Fuel Poverty Monitor 2013-2014*, is thought to affect 900,000

households in Scotland, approximately one third of the population; commends the UK Labour Party for pledging to freeze gas and electricity prices until 2017 and reform the energy market, which will offer hope to people experiencing a cost-of-living crisis, and believes that the Scottish Government will not meet the target of eradicating fuel poverty by 2016 and is consequently failing the many people living in fuel poverty in Scotland.

14:50

The Minister for Housing and Welfare (Margaret Burgess): I welcome the opportunity to outline the actions that the Scottish Government has taken and continues to take to combat fuel poverty. The Scottish Government has a clear vision—that every one of us should live in a high-quality, sustainable home that we can afford to heat. I agree with Jackie Baillie on that point. However, she spoke as if we work in isolation on the matter. She mentioned that the Labour Party works with stakeholders, but we too work closely and collaboratively with stakeholders, including the independent fuel poverty forum.

We took on board every one of the forum's recommendations following its previous review of Scottish Government policies and how we are meeting our targets, and we are looking closely at its current recommendations. In its last report, it acknowledged our commitment to eradicate fuel poverty through support and funding. That funding is a much-needed lifeline for the many householders who cannot afford to heat their homes properly.

The Scottish Government has delivered energy efficiency measures to more than 600,000 households, so one in four households have benefited from that support. The latest statistics show that, in mid-2012, 74,000 fewer households were in fuel poverty than in October 2011. Improved energy efficiency measures account for two thirds of the fall. However, we agree that 647,000 households are still struggling to pay their fuel bills. Those are the latest official figures and we work on official figures.

Jackie Baillie: Does the minister accept that those official figures do not take into account any of the huge, inflation-busting increases from the big six energy companies?

Margaret Burgess: I accept that the official figures are just what I say they are—official figures. They are all that we can work on. Whenever the Government cites figures, it uses the official published figures.

It is clear that a lot must still be done to tackle fuel poverty and it remains a priority of the Government to work closely with the fuel poverty forum. However, our powers are limited. We have control over only one of the contributing factors to fuel poverty—the energy efficiency of dwellings.

We need more powers—the powers that independence would bring—to tackle all the causes of fuel poverty much more directly, to deliver Scottish solutions to Scottish problems and to ensure that energy companies always behave in a socially responsible way to protect vulnerable customers.

Over the period 2013-14 to 2015-16, the Scottish Government is committed to spending almost £250 million on addressing fuel poverty and energy efficiency. That funding is crucial to meeting our objective to lever in as much additional funding as we can from the energy companies obligation, local authorities' resources and European funding. By doing so, we will maximise the investment in delivering energy efficiency measures, increase the number of homes that we can help out of fuel poverty, reduce carbon emissions and create much-needed employment in the green economy.

This year, we have allocated £79 million through our home energy efficiency programmes for Scotland. That is 40 per cent higher in cash terms and 17 per cent higher in real terms than the previous Scottish Labour Administration's budget of £56.5 million. We are spending far more money on fuel poverty measures than any previous Labour Administration in the Scottish Parliament spent.

The HEEPS initiative provides support to communities across Scotland and allows the most vulnerable residents access to a range of measures that will make their homes warmer and more energy efficient. Through our home energy Scotland hotline, we provide free and impartial advice and support on all our programmes to assist people through the process. I have visited a number of HEEPS projects and have spoken to residents who are benefiting from them. I am always impressed by the positive response not only to the fact that they have a warmer home and reduced fuel bills but to the difference that has been made to the external part of their property, which helps to regenerate the community and make it a more attractive place. We are working hard on that.

However, the changes to the energy companies obligation that the UK Government proposes will make it much harder to bring such benefits to our communities. The UK Government's analysis states that its proposals will reduce energy companies' spending on ECO by about £500 million a year across Britain, which represents a reduction of about £50 million a year in Scotland. That could result in up to 1,300 fewer jobs in the low-carbon economy because of a shift away from dealing with hard-to-treat cavities and providing the solid-wall insulation that is needed in Scotland in favour of cheaper measures.

Despite the UK Government's changes to ECO, we remain on track to deliver all our funding allocation and we are increasing the maximum value of grant support to homes to mitigate the impact of the changes. *[Interruption.]* Jackie Baillie has something to say about that, but we have got our money out. The provision of the funding was delayed at the start of last year because the UK Government did not publish its guidelines on ECO and the local authorities had to undertake procurement, but this year we have got the funding out. In March, local authorities were told of the money that they would get for the current year. They tell us that they are on track to spend all the funding that the Scottish Government is providing.

Jackie Baillie: I understand from local authorities that the Government has extended the deadline for the expenditure of the money, because it would not be spent by the end of the financial year. Local authorities have been given longer to spend the money. The Government has underspent its budget in the past two years.

The Deputy Presiding Officer (John Scott): You are in your final minute, minister.

Margaret Burgess: Our budget is being spent on energy efficiency measures in the home. We are delivering more energy efficiency measures per head of population in Scotland than are being delivered in the rest of the UK, and we will continue to do that. That is because of the funding that the Scottish Government has provided. It is not just me who is saying that—the energy companies are saying that, local authorities are saying that and the Scottish fuel poverty forum is saying that. *[Interruption.]* Labour members may laugh, but the reality is that we are consistently delivering more energy efficiency measures per head of population in Scotland than are being delivered in the rest of the UK.

We are spending more money on fuel poverty than the previous Labour Administration spent on it. In our white paper, we have committed to removing the obligation from the energy companies and putting it on the public expense. In that way, we will ensure that energy efficiency measures continue, and consumers in Scotland will experience a year-on-year reduction in their bills. What we propose is not simply a temporary measure of the kind that the Labour Party proposes.

The Deputy Presiding Officer: You must close, please.

Margaret Burgess: I will continue my remarks in my closing speech.

I move amendment S4M-09747.2, to leave out from first "notes" to end and insert:

"welcomes the publication of the Scottish Fuel Poverty Forum's final report on 24 March 2014 and its acknowledgment that the Scottish Government has continued to honour its commitment to eradicate fuel poverty by way of support and funding; notes the latest fuel poverty statistics published in the report, which show that there were 647,000 households in fuel poverty in 2012, a drop of 74,000 households compared with 2011; recognises that the Scottish Government will spend around a quarter of a billion pounds over the three year period, 2013-14 to 2015-16, on fuel poverty and energy efficiency, using its funding to lever in additional investment, reduce carbon emissions and support jobs; further recognises that, since the government came to office in 2007, over 600,000 households have had energy efficiency measures delivered across Scotland, and welcomes the Scottish Government's proposal in *Scotland's Future: Your Guide to an Independent Scotland* to significantly cut energy bills year on year by transferring funding for ECO and Warm Home Discount from energy companies to the Scottish Government thereby ensuring continued funding for fuel poverty and energy efficiency measures designed specifically to meet Scottish circumstances."

14:58

Alex Johnstone (North East Scotland) (Con): Fuel poverty impacts to some extent on every household in Scotland. We have already heard that figures suggest that up to 40 per cent of Scotland's homes are now technically defined as being in fuel poverty. Fuel bills are becoming a larger monthly expense for many more households and are having a bigger impact on the way in which household budgets have to be managed. Therefore, there are many people out there whom we should be concerned about.

When we take part in a debate on fuel poverty, it is irresponsible of us to allow any political party to claim the high ground. The fact is that it has become a priority for us to deal with fuel poverty. People who are suffering from fuel poverty expect politicians to work together more closely to achieve that objective. I will try to work more closely with others in the Parliament but, unfortunately, I will also indulge in the practice of blaming other people for some of the mistakes that got us to where we are today. I will do so because of the great irony that, while it was in government for 13 years, the Labour Party did a great deal to achieve the things that it is complaining about today.

Jackie Baillie: Will the member take an intervention?

Alex Johnstone: No. Let me continue. I can inform the member at great length.

We have heard a great deal about the big six energy suppliers and the fact that the monopoly position that they have almost achieved allows them to manipulate the market somehow. However, it was on Labour's watch—in fact, it was largely on Ed Miliband's watch—that the number of major suppliers shrank. The number shrank

from 15 in 2000 to a mere six by 2010. In that time, gas bills more than doubled.

We have also seen Labour oppose the competition inquiry, which would do something to fight against the monopoly position that has been achieved by our energy suppliers.

It is a fact that much of what Labour and Ed Miliband have proposed in the past would have meant that energy costs would have been very much higher now than they would otherwise be. Ed Miliband planned to add £193 a year to fuel bills, and he now wants a target for clean electricity by 2030 that would add £125 a year to bills at today's prices.

Jackie Baillie: Will the member take an intervention?

Alex Johnstone: Oh, go on—very briefly.

Jackie Baillie: On a serious note, I am absolutely committed to working with everybody across the chamber to tackle fuel poverty. It will be interesting to see whether the Government is.

When Ed Miliband was energy secretary, bills fell by £100. Under David Cameron, bills have risen by £300. Will the member comment on that?

Alex Johnstone: I will explain that. The point is very useful to make to the SNP for a completely different reason. During 2008, energy prices peaked, with oil at a value of \$140 a barrel. In nine months, the oil price dropped \$100 a barrel, to only \$40 a barrel. That is why energy prices dropped under Labour. That had nothing to do with—in fact, it was in spite of—the efforts of the great Ed Miliband.

In the time that the Conservatives have been in government at Westminster, we have seen the error of the ways of previous Governments and taken the opportunity to move quickly to simplify tariffs and enable faster switching for those who want to take advantage of the opportunities in the marketplace. In the most recent budget, we reduced green levies and brought in further measures to promote energy efficiency. The competition review that I mentioned earlier will go ahead and ensure that we in this country have a truly competitive system of energy supply, which will result in lower prices for consumers, and there will be sanctions and penalties to ensure that they are properly enforced.

In the same time, we have taken measures to protect winter fuel payments for 12.7 million pensioners across the UK as a whole. We have reinforced cold weather payments, and we are making energy companies support the most vulnerable. New funding for energy-saving improvements in homes will benefit people throughout the country, including Scotland. Reducing our dependence on expensive imported

energy sources will also have the effect of cutting energy costs, and tax breaks for companies that are exploring for shale gas can begin the process of taking us into a position that is similar to that which is enjoyed in North America, where energy prices are falling for both industry and domestic consumers.

The Deputy Presiding Officer: The member should draw his remarks to a close.

Alex Johnstone: There is so much that we could achieve by working together. Come on: let us work together for the benefit of those who need our help.

I move amendment S4M-09747.1, to leave out from "rising" to end and insert:

"high energy prices and high levels of fuel poverty in Scotland; condemns the unworkable policy of the UK Labour leader, Ed Miliband, to freeze energy prices, which has been roundly criticised by competition experts, consumer groups and independent suppliers and will, instead of tackling the cost of energy, result in price rises before and after the proposed freeze; notes that, since Ed Miliband's pledge to freeze gas and electricity prices, Scottish and Southern Energy has cut its energy bills, meaning that a freeze would have resulted in Scots paying more in their bills than they do now; notes the efforts by the Labour Party to introduce a decarbonisation target that would have added £125 a year to energy bills; welcomes the UK Government's moves to reduce green taxes on energy companies so that savings can be passed on to consumers and its efforts to make tariffs simpler and the energy market more competitive; notes that, despite accounting for less than 10% of the population, Scotland now hosts more than 50% of the UK's onshore wind turbines, and calls on the Scottish Government to review its energy policy, which, through its over-reliance on expensive, unreliable and heavily subsidised onshore wind energy, is a major contributory factor in high domestic energy costs."

The Deputy Presiding Officer: We are very tight for time. Speeches should be up to four minutes, please.

15:03

Mike MacKenzie (Highlands and Islands) (SNP): Fuel poverty is a much more complex issue than the Labour motion suggests. It is a function of energy prices, earnings, quality of housing, climate, access to the gas grid and other complex factors that are far beyond the Labour Party's level of understanding and, like most of the failings of successive Westminster Governments, far beyond the Scottish Government's ability to fully mitigate. When Ed Miliband was energy secretary, he failed to fix the roof when the sun was shining. Now that it is raining, the Tories, with their austerity programme, are taking the buckets away from the Scottish Government as well as selling off the slates on the roof.

Energy prices that are rising well beyond the rate of inflation, well beyond increases in earnings

and well beyond our ability to insulate are the main factor that is driving fuel poverty. That, in turn, is due to a failure of both the current and the previous UK Governments' energy policies. Energy prices are elastic, just like the price of apples. When there is a shortage of apples, the price of apples rises. When there is insufficient energy, the price of energy rises.

Drew Smith (Glasgow) (Lab): Will the member take an intervention?

Mike MacKenzie: No, thank you. I am short of time.

Ofgem has been issuing stark warnings that the lights will go out soon in England if reserve generation capacity is not urgently increased. That capacity is now approaching 2 per cent when, for safety's sake, it should be around 25 per cent. On a couple of recent occasions, as much as £30,000 a kilowatt hour has been paid in the short-term energy markets just to keep the lights on. That drives average energy prices upwards.

Ed Miliband's proposal to cap energy prices was ill-judged and has driven investment away from energy generation, especially renewables investment. The Tory Government's reaction, in deciding to reduce and ultimately scrap the ECO without having a successor scheme in place was equally unwise and has led to the mothballing of many energy efficiency schemes across Scotland. If that was unwise, the decision to subsidise the Hinkley Point scheme to the tune of £35 billion, at double the wholesale price of energy, was just as bad.

Murdo Fraser (Mid Scotland and Fife) (Con): Will Mr MacKenzie give way?

Mike MacKenzie: No, thank you. I am short of time.

Further costs are added, with clean-up costs paid by the taxpayer. For example, decommissioning of Sellafield is estimated at £67.5 billion, which is more than £1,000 for every person in the UK. That will ensure that those people who remain in the union will be paying very high energy prices for a long time to come.

Fuel poverty is at the unacceptably high level of 20 per cent across the UK, but it is running at well over 30 per cent across Scotland. The truly shocking point, though, is that it is well over 50 per cent across our islands. One study suggests that it is at 88 per cent in Orkney, but it is also high in Shetland and the Western Isles.

The Deputy Presiding Officer: You should draw to a close, please.

Mike MacKenzie: Those islands are prevented from realising the opportunities that are offered by renewable energy because of a lack of investment

in grid infrastructure by the same UK Government. That does not sound like a union dividend to me; it sounds like a union disaster—

The Deputy Presiding Officer: It sounds like the end of your speech.

Mike MacKenzie: That is why, increasingly, the people on Scotland's islands tell me that they will vote yes in September.

15:08

Hugh Henry (Renfrewshire South) (Lab): Mike MacKenzie mentioned a number of factors that he said contribute to fuel poverty. He mentioned prices, earnings and the quality of houses. There is no doubt that those are all factors. The minister listed a range of things that the Scottish Government has done, but it is not what the Government has done that is the problem; it is what the Government has not done and the problems that it is creating in constituencies such as mine. Day in and day out, I deal with constituents who are suffering because of fuel poverty and who are having to make the difficult decision that Jackie Baillie mentioned about whether to eat or turn on the heating. There are pensioners who have to seek refuge outside their homes to try to stay warm because their homes are too cold for them to stay in.

We often have to make choices in our everyday lives, and I accept that the Government also has to make choices. I accept that it was the Government's decision to ensure that the children of MSPs, MPs, lawyers, doctors, bankers and other wealthy people get meals at school for free.

Margaret Burgess: Will the member take an intervention?

Hugh Henry: Sit down, please.

The choice that the Government has made to spend its money on that means that my constituents who are already living in poor households and who have difficult-to-heat homes have money taken away from them to ensure that the better off in our society are protected. That is a legitimate choice for the Government, but the minister should not shed crocodile tears about not having money to help the poor when she has chosen to help the better off.

Mike MacKenzie: Will the member give way?

Hugh Henry: I will come to Mike MacKenzie in a moment.

The minister has said that the only issue she can deal with is the quality of housing, but what would happen if Scotland separated from the UK? The fact is that the Scottish Government wants to protect the energy companies' profits and make

the taxpayers pay. That is the choice that it is offering people in this country.

The Scottish Government could do something just now about earnings. Indeed, the following Labour Party debate is tied fundamentally to this debate. The question is whether the Government will support the introduction of the living wage across Scotland, or whether it will yet again vote it down. It could, for example, go and persuade its prominent supporters of independence such as Tony Banks—who just this month advertised for care home staff on the minimum wage, not the living wage—that they could do something to ensure that people have the money to keep their houses warm.

There is also more that the Government can do about the quality of housing. I opened a fantastic Hanover (Scotland) Housing Association housing complex in Murray Place in Barrhead, and I recently attended the opening of Link Housing Association houses in Tannahill Crescent in Johnstone. What was striking in both cases was that people were living in warm, easily heated and high-quality houses. However, housing associations and other providers tell me that the Government is not providing the money that they need to build the homes that we require.

So, there is something that the Government can do.

The Deputy Presiding Officer: Please draw to a close.

Hugh Henry: The minister has made choices, but she has turned her back on the poor.

15:12

Rob Gibson (Caithness, Sutherland and Ross) (SNP): On one side of the argument, there are the prices that people have to pay for energy; on the other, there are the production costs of electricity. In *The Observer's* business section on 30 March, Terry Macalister posed six questions that the British energy industry needed to answer. The crux of his argument about the populist fixation on prices was that

"They"—

that is, the big six energy companies—

"see themselves as an easy media whipping boy and the scapegoat of successive governments' unwillingness to explain to the public that the need to modernise and decarbonise the energy industry means higher prices whoever runs it. Some of them now see the competition inquiry as a chance to tell their side of the story."

We think that Labour's argument is energy illiterate, because it fails to take into account the handling of energy policy by successive Governments. Indeed, when we compare prices for electricity for domestic consumers across

Europe, we find that Britain is by no means the most expensive; for example, the prices in Germany, Italy, Norway and Ireland are far higher in terms of euros per kilowatt hour. Why is that the case, and why do we have so many fuel-poor people? In any case, members should be in no doubt that the UK Tory and Liberal Democrat Government is behind the curve in energy policy, and the fig-leaf inquiry into consumer prices hides the starker facts about Britain's dysfunctional approach to decarbonising power sources and telling consumers the truth.

I recall the body for monitoring progress on reducing greenhouse gas emissions—the UK Committee on Climate Change—warning in December 2012 that green power strategies will eventually prove cheaper than relying on the gas-fired electricity generation favoured by the Chancellor of the Exchequer, George Osborne. The chief executive of the UKCCC, David Kennedy, said:

“It is like taking out an insurance policy—you pay £100 now to avoid having to pay £600 later”,

adding that

“It's a similar argument to the national debt. It is all about not lumbering our kids with the costs associated with bad decisions we have made.”

Although this Parliament has only some of the required powers, Labour says that there is much that we can do. However, the SNP is saying that we want to have all of the powers so that we can ensure that we solve fuel poverty and do not just complain about the poor being the butt of the problem.

Labour's pledge to freeze gas and electricity prices until 2017 will not solve the problem. The SNP plans a permanent cut in energy bills, which is unlike the temporary measures that Labour proposes. Labour proposes a temporary price freeze for 20 months, but with the powers of independence we will permanently remove from bills the costs of the warm home discount scheme and the energy companies obligation. That would help hard-pressed consumers year in and year out and help the fuel poor, because we would move the spending on to cheaper renewable energy, which subsequent generations will most certainly benefit from.

Terry Macalister said:

“It is unsustainable to keep loading the cost directly on to consumers through energy bills, as this hits the lowest-paid and most needy.”

However, the taxpayer paid for nuclear, coal, hydro and oil power stations in the past. Terry McAllister also said:

“The taxpayer is the obvious candidate to foot more of the bill, but this requires the government to be more open”

about spending priorities. He was talking about the UK Government, but the Scottish Government is open and is tackling the problem with the powers that we have. However, we need them all to ensure that it is a success.

15:16

Liam McArthur (Orkney Islands) (LD): As colleagues will be aware, fuel poverty is nowhere higher than in my constituency, with recent estimates from the Orkney Housing Association suggesting that the figure there for fuel poverty might be around 68 per cent as opposed to the national average, which is around half that. I therefore welcome this debate, albeit that it is brief and will not necessarily result in a meeting of minds or a call for collective action.

I accept that Labour's price-freeze policy has been successful in putting the SNP Government in a spin, with three different responses across three days from three different ministers, but I think that that policy runs the risk of increasing bills, reducing competition, putting at risk vital investment and hurting small suppliers, thereby reinforcing the domination of the big six. The Tory amendment points out all that, fairly, before going on to entirely ruin it all with the customary rant about onshore wind.

As for customary rants, we had the minister's press release this morning, followed up by Mike MacKenzie's contribution to this debate, suggesting that it is all the fault of Westminster and that independence will somehow be a magic bullet.

Mike MacKenzie: Will the member take an intervention?

Liam McArthur: No.

As Jackie Baillie pointed out, the minister's suggestion is utter nonsense, not just in relation to the potential impact on investment in renewables but in relation to the implications for customers' bills. In addition, the suggestion seems to betray a complete misunderstanding of how ECO works, because it is made up of the affordable warmth programme, which targets £360 million at fuel-poor households; the carbon-saving community obligation, which focuses £190 million on the poorest areas; and the carbon emissions reduction obligation. However, it is only the latter that has been the subject of reductions, and they are being compensated for by £540 million of extra public spending on household energy efficiency incentives. There is also £450 million to help improve energy efficiency in the private rented sector; colleagues across the chamber have pointed out that that has been lacking to date. There has not been an attack on the fuel poor as portrayed by the minister; on the contrary, a

package of changes to energy policies has enabled £50 to be taken off average household energy bills.

There are legitimate concerns about the operation of the energy market, which is why it is welcome that Ofgem has referred the market to the Competition and Markets Authority, which follows the energy market assessment announced by Ed Davey last year. There will be tough action based on a detailed, independent, expert assessment of the state of competition in the UK energy market. There are other measures, too, such as £146 million of cold weather payments; winter fuel payments to over 1 million households; making energy bills simpler, clearer and fairer; and encouraging collective switching schemes whereby households club together to secure better deals—so far, 21,000 homes have benefited through that by an average of £131.

I would agree that all that is certainly not enough, but it is far from the picture that was painted by the minister and some of her back-bench colleagues, and it is a more robust and sustainable response to justified public concerns about fuel costs than a counterproductive price freeze would be.

I believe that successive Governments—north and south of the border—of all political hues have prioritised the fight against fuel poverty, but despite that, the number of households affected, not least in my constituency, has never been higher. That is not acceptable, but the issue will not be addressed by either scapegoating or gimmicks. I urge Parliament, despite the impending entertainment of September, to gather together in common cause to address a problem that we all accept is out of control and needs to be tackled urgently.

15:20

Kevin Stewart (Aberdeen Central) (SNP): First, it is a scandal that we are having to discuss fuel poverty in energy-rich Scotland. That in itself clearly shows the failures of the current system, which Westminster Governments, past and present, have presided over.

I was filled with some dread when I read Jackie Baillie's motion, because it mentions reform of the energy market. Why does that fill me with dread? As has been pointed out, in 2000 there were three generating companies and 14 energy suppliers in the UK. After the last set of Labour reforms, we were left with the big six, which we have all been moaning about to one degree or another in the debate. The big six have on their boards many former Labour parliamentarians—including ones from this place—so somebody did all right out of the last set of reforms, although the public

certainly did not benefit from Ed Miliband's reforms. *[Interruption.]* I cannot hear what Ms Baillie is shouting at me—she may want to intervene.

Jackie Baillie: I seem to recall that there are a number of SNP former or current employees of some of the big six. Does Kevin Stewart deny that?

Kevin Stewart: I am talking about members of the board, who direct policy—the folk with real influence—who moved from Parliament on to the boards of the big six after Labour's last reforms.

Let us look at some of the issues that we face. There has been a lot of talk about price rises, but let us look at the fact that incomes—particularly those of the very poor and very vulnerable in our society—have been slashed across the country as a result of welfare reforms that have emanated from that place in Westminster. Those are the tragic things that are happening day to day. As has been pointed out, rightly, folks are going to food banks and saying to the volunteers, "We cannot heat our food, as we have no energy at home because we have been cut off." That is the true scandal that we have to face, and we require to have all the powers in this Parliament to deal with it.

Let us look at another fact. Third Force News stated on 28 March that in Scotland £36.58 per electricity customer is invested in energy efficiency, compared with only £3.52 in England. That shows that the Scottish Government is doing what it can with the powers that we have. What we require is all the powers to tackle not only fuel poverty but welfare reform and a ton of other issues that we need to deal with.

15:23

Murdo Fraser (Mid Scotland and Fife) (Con): I start by congratulating the Labour Party on selecting the subject of fuel poverty for debate this afternoon. I welcome the opportunity to highlight what is a growing problem for many of my constituents and people across Scotland, even though I might differ from Labour in the solutions that we might propose.

Jackie Baillie was right to highlight the statistics on the rising problem of fuel poverty and the irony of the Scottish Government's target to eradicate it by 2016. That is only two years down the track, yet we are nowhere near meeting that target. So far, Ms Baillie and I are in agreement. However, in the remainder of my remarks—I have only three minutes—I want to concentrate on energy prices.

The UK Labour leader, Mr Miliband, has proposed a freeze of gas and electricity prices until 2017. I do not often find myself in agreement

with Fergus Ewing in the Scottish Government on energy issues, but this is one issue on which he and I are in absolute accord. The announcement from Mr Miliband is utter nonsense that would deter investment in the development of new energy sources and in any event would be easily circumvented by price rises prior to any general election in which the market felt that the prospect of Mr Miliband being successful, however dreadful that might be, was a realistic one. Indeed, the pledge already looks to have been overtaken by events, because one of the big six, SSE, based in Perth, has agreed its own price freeze, and I am sure that other suppliers will do so too. I accept that there are issues with competition in the energy market, which is why the recent Ofgem recommendation for a Competition and Markets Authority inquiry seems to me to be the right way forward.

We cannot ignore the elephant in the room, which is the high cost of low-carbon energy, as Rob Gibson quite fairly acknowledged, and that is exactly the type of energy that Ed Miliband was so enthusiastic about when he was the Secretary of State for Energy and Climate Change in the UK Government. At the time, he was happy to see bills rise to pay for low-carbon energy; to now take a different view and complain about those very price rises reeks of opportunism and hypocrisy.

SNP ministers come to this chamber week after week to denounce the high cost of new nuclear power and they state quite rightly that it is double the market price for today's electricity. What they fail to mention is that the renewable energy that they and their back benchers are so fond of and so addicted to is even more expensive than new nuclear power. Even the most mature renewables technology, onshore wind, is today coming in more expensive than the contracts signed for the new nuclear power station at Hinkley Point, which Mike MacKenzie rails against.

The strike prices are only part of the picture, because unlike nuclear power, which is a source of reliable baseload, wind power provides an intermittent, unreliable and unpredictable source of power that requires backup at all times from conventional generation.

The Deputy Presiding Officer: It is time for you to close, I am afraid.

Murdo Fraser: It also requires substantial grid upgrades, all of which have to be paid for by the poor consumer.

It is no wonder that we have got fuel poverty. Mr Miliband is going around telling us that, if Labour wins the election, we will have to embrace wind turbines. More wind turbines mean more fuel poverty.

15:27

Rhoda Grant (Highlands and Islands) (Lab):

Our target to eradicate fuel poverty now seems like a fantasy. The Scottish Government has consistently cut fuel poverty funding and underspends that even smaller budget. It has shown no commitment to tackling fuel poverty, and that is all the more inexplicable when fuel poverty is on the increase due to the higher costs of fuel and the decreases in wages throughout our community.

In the UK, we have the worst fuel poverty record in western Europe, at 19.2 per cent, and that figure rises to 27 per cent in Scotland. However, those figures pale into insignificance when compared with a recent interim report on fuel poverty in the Western Isles, drawn up by the Energy Advisory Service, which shows that a staggering 71 per cent of homes suffer from fuel poverty in the islands. A total of 2,167 households responded to the survey. Eighteen per cent of them were in severe fuel poverty, spending more than 20 per cent of their income on fuel, and 11 per cent were in extreme fuel poverty, spending 30 per cent of their income on fuel.

The Scottish Government needs to take action. Warm words do not heat homes. Time and again over the winter months and throughout the year, constituents from the Western Isles, Skye and other rural areas have contacted me telling me that they are struggling to heat their homes. They are forced to make the choice between heating and eating. As they are off the gas grid, they cannot take advantage of the many schemes that are available.

The figures for the Western Isles and beyond cannot be ignored. I believe that they will also be representative of many other areas in the Highlands and Islands that are off the gas grid and suffer the same problems. It means that people do not have access to the cheapest form of fuel and that they must obtain heat from oil, electricity or solid fuel, which are all much more expensive.

The only way to tackle fuel poverty in those areas is by insulating homes to ensure that less fuel is used, which is a key recommendation of the Energy Advisory Service interim report. Because they are off the gas grid, many households do not qualify for the energy companies' schemes, neither do those houses have a value that allows the occupants to borrow to install insulation, even if they could afford it. They do not qualify for the green deal either, because the costs and savings just do not add up.

One-and-a-half-storey stone-built homes are also hard to treat; they basically need to be clad from top to bottom, which is expensive. However, there could be economies of scale. The Scottish

Government needs to introduce a concerted programme for insulation throughout rural Scotland, starting in our islands. With those rates of fuel poverty, a blanket approach can be justified, as the vast majority of people are suffering from fuel poverty there. That is the only way to tackle rural fuel poverty, so I urge the Government to reinstate its budgets and use its underspend to start the process.

15:30

Dave Thompson (Skye, Lochaber and Badenoch) (SNP): The Scottish Government has maintained investment in energy efficiency programmes despite financial pressures and limited powers. Indeed, it intends to spend around a quarter of a billion pounds between 2013 and 2016 to deal with fuel poverty and energy efficiency. However, as others have said, we must do more if we are to honour our historic commitment to eradicate fuel poverty by 2016.

As the member for Skye, Lochaber and Badenoch, I know only too well the effects of fuel poverty. The rural nature of the Highlands and Islands means that we are at the highest risk of fuel poverty. Indeed, we have been suffering in that regard for some considerable time.

The latest figures show that Skye has one of the highest proportions of severe and extreme fuel poverty in Scotland, with at least 50 per cent of the population living in fuel poverty. Previous figures have shown that pensioners in the islands and on the west coast are the most badly affected. As Rhoda Grant said, fuel poverty now affects almost three times as many west Highlanders than people elsewhere in the country. As if that were not disastrous enough, that has resulted in an eat or heat dilemma for many and is creating an additional need for more food banks.

According to the recent briefing on fuel poverty by Energy Action Scotland, rural consumers are being hit by the dual problem of having the most energy inefficient homes and the most expensive energy. It highlighted that very remote areas of Scotland are not well served by current programmes that are aimed at reducing fuel poverty and improving energy efficiency.

Energy Action Scotland advises that remote, rural and off-gas grid areas need to be better served by the main programmes, and that there should be, in particular, supported measures for hard-to-treat homes and houses using liquefied petroleum gas and oil, which are currently not covered because the energy companies will not include replacement LPG and oil boilers in their ECO schemes. That is discrimination that should end forthwith. The power to ensure that it does so lies with the UK Government. At least the SNP

Government has begun to tackle the problem, by providing specific funding to be used to deliver heating and insulation improvements for low income and vulnerable households in off-gas grid properties. My constituents welcome that.

For an energy-rich country such as Scotland and its renewable-energy-rich north to have so many of its people living in fuel poverty is an absolute scandal that will not be allowed to happen after independence. No longer will Scotland need to wait to see what hand it gets dealt from Westminster. With full control, we will be able to direct policy towards eradicating the scourge of poverty and all the ills that deprivation entails.

The Deputy Presiding Officer: I call Alex Johnstone. You have up to four minutes.

15:33

Alex Johnstone: I am sorry; I did not realise that it was me next. I am behind the times here. *[Laughter.]*

We have had an interesting debate, but it has, unfortunately, not shed much light on what we want to achieve.

We have all said that we want fuel poverty to be eradicated and that we want to work together to ensure that we make some progress on that. However, as members have spoken, we have heard the same lines that we have heard time and again. We have heard the SNP consistently argue for policies that would inevitably push up the cost of energy on a domestic basis and more broadly. SNP members' answer to those who point that out is simply to blame Westminster. That has been the SNP's policy for a long time, so there are no surprises there.

We heard Rob Gibson talk about the need to make decisions today that will serve us in the long term. However, with that, he made the admission—perhaps the honest admission—that renewables are a high-cost solution and that going for renewables today will simply add to fuel poverty rather than giving us a route by which we can remove fuel poverty. The problem is that onshore wind power is a high-cost option. As we heard in some detail from my colleague Murdo Fraser, the fact is that, if we choose to go for onshore wind, we must accept that energy costs will be high. Liam McArthur noted that our amendment contains what he described as our customary rant against onshore wind. Well, onshore wind is expensive. If we do not want to promote a continued rise in fuel poverty, we must address that problem.

As Kevin Stewart and others said, Scotland is an energy-rich nation but that energy comes at a

high cost. The future of an independent Scotland—should it ever happen—will be dependent to some extent on the high cost or high value of the energy that we produce. In fact, the promises that are made week in, week out about what can be achieved with the money that could be drawn out of Scotland's energy resources belie the fact that, occasionally, we have debates such as this one, in which the same SNP members stand up and complain about the cost of energy. The two things do not go together; we cannot have both.

Kevin Stewart: With the profits—the taxation raised—from Scotland's energy, we can ensure that we eradicate not only fuel poverty but poverty as a whole. Does Mr Johnstone not think that that would be a good thing?

Alex Johnstone: Let us take a shallow line on that. Most of the tax that is raised in the North Sea is enhanced corporation tax. Mr Stewart's Government proposes to slash corporation tax. Let us address that some other time.

The truth is that energy costs and fuel poverty are rising and decisions about how we produce our energy in future are being deferred. Low-cost solutions must be our preferred option.

The political parties in Scotland need to get together and address the cost of the energy that we supply. Options exist in Scotland to pursue a lower-cost approach. We must work together across the political parties in the Parliament to pursue those low-cost options, not ignore them in the pursuit of some other green priority and at the expense of the poorest in society who cannot afford to heat their homes.

We cannot have both options; we cannot have it both ways. We must choose, so let us choose constructively.

15:37

Margaret Burgess: One thing on which we all agree is the fact that, in a country as energy rich as Scotland, as Kevin Stewart said, having so many people in fuel poverty is a disgrace.

I will tackle some of the points that were raised during the debate. I will start with the points that Hugh Henry made.

During his speech, Hugh Henry clearly reiterated the point that, despite supporting the Scottish Government's budget, the Labour Party is opposed to free school meals in spite of all the arguments and support for the policy. He also talked about choices. The Scottish Government has made a choice to increase what it spends on fuel poverty, which is more than the previous Labour Administration did. We have also made a commitment in the white paper that we would

increase the minimum wage and benefits in line with inflation so that we would not have the gap between the rich and the poor about which he talked. We have made choices to help the poorest in our society. That is important.

Hugh Henry also mentioned that we are saying what we have done, not what we are doing. In my opening speech, I said that I was pleased to outline what the Scottish Government had done, was doing and would continue to do within the powers that it has to eradicate fuel poverty in Scotland. Members should make no mistake about the fact that we are committed to eradicating fuel poverty. *[Interruption.]* We have spent the budget. I hear Jackie Baillie sniping on the sidelines that we have not spent the budget. I will say a couple of things about that.

The first that the Scottish Government knew about the changes to ECO was in December. We quickly adapted our home energy efficiency scheme for Scotland to give flexibility to the local authorities to take account of that. That was important because it kept jobs in the insulation industry in Scotland and allowed the local authorities to proceed with the schemes that they had set up.

Jackie Baillie also mentioned changing the definition of fuel poverty. We have no intention of changing that definition, as has been done in the rest of the UK.

Jackie Baillie: The report from the minister's own Scottish fuel poverty forum discusses research that the Government is undertaking to change the definition. Is the minister now clearly saying that there will be no change at all to the definition?

Margaret Burgess: What I am saying, and what we said the last time, is that the Scottish Government has no plans to change the definition of fuel poverty. If the fuel poverty forum came up with proposals on that, we would look at them, but I am not aware that the forum is doing that.

Jackie Baillie: It is in the report.

Margaret Burgess: The Scottish Government has no plans to change the definition of fuel poverty and that is simply the end of it—we have no plans to do that.

What we have done—this is important—is get 10 times as many measures in Scotland. That was mentioned by someone else—we have 10 times as many measures in Scotland as there are in the rest of the UK.

Duncan McNeil (Greenock and Inverclyde) (Lab): Ten times more fuel poverty.

Dr Richard Simpson (Mid Scotland and Fife) (Lab): Ten times more fuel poverty.

Margaret Burgess: We are outperforming the rest of the UK in terms of what we are doing by way of energy efficiency measures.

The Deputy Presiding Officer: Sedentary interventions are no more welcome than they ever were, Dr Simpson.

Margaret Burgess: The Opposition does not want to hear this. Members do not want to hear what the Scottish Government is doing to help with fuel poverty and to help people in their homes. We are managing to deliver HEEPS despite the proposed changes to ECO. Members should make no mistake about this. I think that it was Liam McArthur who was speaking about this. The UK Government has said that £500 million less will be spent on energy efficiency measures because of the proposed changes to ECO. That is £50 million in Scotland, and that will have a knock-on effect on what we are doing here.

We are helping those who are most in need in our communities. We have already supported more than 600,000 households to install energy efficiency measures since 2007. That is one in four households, and that cannot be pooh-poohed by the Opposition.

I will say this again, as have other members: we only have powers over energy efficiency; we do not have powers over our economy. There is a limit to what we can do. We made a commitment in "Scotland's Future" that we will significantly cut energy bills year on year, while maintaining expenditure on energy efficiency. There is no commitment from the Labour Party on that. The Labour Party has proposed a temporary freeze on energy companies' bills, but it has made no commitment to spend money on energy efficiency measures.

Let us not forget: when the Labour Party was last in power in the UK in 2010, it consistently spent less on energy efficiency measures year on year. That has to be said. The Labour Party proposes to freeze energy prices in the short term, but we are proposing a year-on-year reduction in people's fuel bills. That is important. It has to be consistent—the bills have to be reduced year on year. I can see members in the Opposition parties laughing at that, but that is the reality of it. We have made that real commitment year on year, and we will continue to do so.

Neil Bibby (West Scotland) (Lab): Will the member take an intervention?

The Deputy Presiding Officer: The minister is in the last minute of her speech.

Margaret Burgess: As has been said by a number of members on this side of the chamber, without all the powers relating to the factors that contribute to fuel poverty, we cannot do as much

as we want to do. We want to eradicate fuel poverty. There should not be fuel poverty in a country as energy rich as Scotland. We are committed to eradicating fuel poverty and we will do everything within our existing powers to do that, although we could do a lot more with the full powers of independence.

15:43

Mary Fee (West Scotland) (Lab): More than half of single pensioners in Scotland are in fuel poverty. The elderly, single adults and those in rural communities are most affected by the scandal that is fuel poverty. That is why Scottish Labour has secured this debate. Scottish Labour wants an energy market that works for the people, not the energy companies and their shareholders, many of which are overseas companies. As a result of the dominance of the big six, we have price increases far beyond inflation, which has partly resulted in the scandal of fuel poverty that we have today.

As we have heard during the debate, we are not immune from the bickering and rhetoric that we have come to know so well during the on-going constitutional debate. The SNP mantra of "It's not our fault. It's Westminster's" is being wheeled out once again.

No matter the result of the referendum in September, fuel poverty will not disappear overnight. It needs a party that is committed to making a difference, and that is both Scottish and UK Labour. We will freeze prices while we reform the energy market, while the SNP members sit on their hands, and their MPs—along with the Tories—vote against such Labour proposals.

Jackie Baillie rightly highlighted in her opening remarks that a staggering 40 per cent of households in Scotland—almost 900,000 people—are fuel poor. The minister rhymed off figures and facts and told the chamber about meetings held and visits made. She might have spent a bit more time reading her own report, as in chapter 2, on pages 7, 8 and 9, it proposes to change the definition of fuel poverty, as detailed in paragraph 2.1.

As for the Scottish Conservative amendment, Alex Johnstone clearly has it in for Ed Miliband—I do not know why—and for our pledge to freeze energy bills from 2017. He calls the pledge "unworkable", despite the fact that SSE has already introduced a freeze. It is clear that, on energy prices, the Tories and the SNP—or at least Alex Johnstone and Fergus Ewing—are on the same page.

Although Scotland has the fourth highest household income of any of the 12 UK regions, we have the highest rates of fuel poverty. However, it

is not solely prices that lead to fuel poverty; there are major issues surrounding energy efficiency. We need to ensure that any programme is fully monitored and evaluated to ensure that the money was worth spending, otherwise we could throw away millions of pounds and make little or no difference to the painful choices that families, the elderly and those in rural communities have to face. An underlying issue that must be addressed is that people do not know what programmes they can apply for.

Energy Action Scotland has five key asks, which include the public reporting of the main Scottish programmes if progress is to be recorded and lessons are to be learned, and improvements in the remote, rural and off-grid areas and their access to the Scottish Government's programmes.

Mike MacKenzie: Will the member take an intervention?

Mary Fee: No—I have a lot to get through, so I will carry on. If I have time later, I will let the member in.

Rhoda Grant rightly raised the issue of rural fuel poverty, which is worse than urban fuel poverty, as was highlighted in the recent debate on renewable heat. We need to find ways in which people in rural and isolated groups of houses can work together to develop community energy schemes that use biomass boilers and a local supply of woodchip. Grant funding must be available where it is required, and the link between fuel poverty and climate change must be strengthened if we are to achieve our reduction targets.

It was the first Labour-led Scottish Executive that set out a legislative requirement—in the Housing (Scotland) Act 2001—to establish the fuel poverty target in order to

“eradicate fuel poverty as far as is reasonably practicable by 2016”.

At present, the SNP Government is unlikely to reach that target. Energy Action Scotland estimates that—as I said earlier—there are almost 900,000 households currently in fuel poverty.

Again, Labour has called for an energy price freeze that would save families on average £120 per year, yet the SNP's own MPs have not voted for it. We are committed to helping the hard-pressed families in Scotland while the SNP is too busy aligning itself with Tories and big energy companies—[*Interruption.*]

The draft budget that was produced in September last year showed that the Scottish Government had an underspend of £10 million in the demand-led home energy efficiency programme. If the underspend is a result of eradicating fuel poverty and meeting the legislative requirement, we could all agree that it is a good

thing. However, we know that the demand and the need for energy efficiency measures still exist, so the scheme is either not working or is not being administered properly.

Tomorrow, we will debate the new Housing (Scotland) Bill at stage 1. However, the key aspect of energy efficiency in the private rented sector is missing from the bill, and I am disappointed that the minister did not make more mention in her opening and closing remarks of the actions that she could be taking in that regard.

The private rented sector houses many of Scotland's fuel poor, and landlords are under no obligation to bring their properties up to the standard that we expect of social housing. I understand that the Government has set up a working group to bring in new legislation, but 2018 is a long time for people to wait to ensure that their rented house is adequately heated.

Fuel poverty is a societal injustice; it is a dangerous and deadly trend. That is why a Scottish Labour Government here in Holyrood and a UK Labour Government in Westminster will commit to finding a solution through energy efficiency measures, by working to improve the quality of energy measures and accommodation in the private rented sector and working alongside local authorities, fuel providers, housing associations and installers to support local area-based schemes, ensuring that the process is better streamlined to quickly deliver projects on the ground.

By failing to tackle the issue of fuel poverty, the Scottish Government has failed in its duty to help those most vulnerable. That is why we must work together to end fuel poverty and ensure that people no longer have to choose between heating and eating.

Living Wage

The Deputy Presiding Officer (John Scott):

The next item of business is a debate on motion S4M-09740, in the name of James Kelly, on the living wage.

15:51

James Kelly (Rutherglen) (Lab): I welcome the opportunity to open, on behalf of the Labour Party, this afternoon's debate on the living wage, because it is an important debate that is not about independence. It is about something that this Parliament can do on the living wage right now by taking positive action through the Procurement Reform (Scotland) Bill. As was stated when the bill was debated in Parliament at stage 1, it covers £10 billion-worth of public contracts. Agreement to Labour's demand for the living wage to apply to all those public contracts would make a real difference now.

Chic Brodie (South Scotland) (SNP): Will James Kelly take an intervention?

James Kelly: Let me get started.

The suggestion would make a real difference now to the economy, to jobs and to the pay of working people, and there is no doubt that it would really be a transformational change. If the Scottish National Party Government were to support the suggestion, we would work with it to make that change and to deliver the living wage through the Procurement Reform (Scotland) Bill.

Kevin Stewart (Aberdeen Central) (SNP): Will Mr Kelly give way?

James Kelly: I will take Chic Brodie first.

Chic Brodie: I will set all this in context. I understand James Kelly's rationale and the feelings behind his motion, but how does he react to the fact that yesterday, in a response to a freedom of information request, Labour-controlled Glasgow City Council stated that

"at present the EU regulations do not allow the living wage as a mandatory requirement within our contracts"?

The same applies—

The Deputy Presiding Officer: Thank you.

Chic Brodie: —to Renfrewshire, West Lothian and Inverclyde.

The Deputy Presiding Officer: Thank you. That will do.

James Kelly: Well read, Mr Brodie—you got all the way through that. I will deal specifically with the legal points, including that one, later in my speech. Let us not hide behind legal advice and red herrings. Let us have a bill that makes a

difference to people in Scotland's communities, not to the lawyers in St Andrew's House.

What impact can the living wage have? Currently, 400,000 people in Scotland do not earn the living wage, and 36 per cent of them are under 25. Yet when we tried to make a positive change at stage 2 of the Procurement Reform (Scotland) Bill, the SNP voted down that change. When I look at the SNP's attitude and what it is doing in the white paper, it strikes me that it is more interested in bringing down corporation tax for businesses such as Brian Souter's Stagecoach than it is in paying cleaners the living wage.

Payment of the living wage would make a striking difference to women workers, who make up 64 per cent of the 400,000 workers that I mentioned. That is 256,000 women. If we used the £10 billion that we spend to reach out, we could reach out to many of those thousands of women workers.

It is one thing to appoint two new women ministers to the Cabinet, as Parliament agreed to do yesterday, but we have to wonder about voting for pay rises of £32,000 for ministers when cleaners who are working on Scottish Government contracts are not being paid the living wage. That is unacceptable.

There is rank hypocrisy on the issue among elements of the SNP. At the recent SNP conference, MSP after MSP, including the Deputy First Minister, queued up to have their photograph taken pledging their support for paying the living wage to their staff. However, there are workers on Scottish Government contracts who are not being paid the living wage. In the gallery this afternoon, there are staff from the national museum of Scotland shop, who are paid £6.53 per hour. The national museum of Scotland is an iconic institution, but its shop staff, who are working on behalf of the Scottish Government, are not being paid the living wage. For SNP members to pose for photographs with banners that say that they support the living wage is hypocrisy.

John Mason (Glasgow Shettleston) (SNP): Will the member give way?

James Kelly: I will give way to John Mason, who is one of the MSPs who was photographed.

John Mason: I absolutely was photographed.

Does James Kelly accept that the living wage will not apply to some people in the private sector and that only by raising the statutory minimum wage can we really help people?

James Kelly: What about trying to apply the living wage to the workers in the national museum of Scotland shop? What about trying to apply it to the cleaners in the Scottish Prison Service who are not being paid the living wage?

It is time that we closed the low-pay loophole. That is why there is an onus on all Governments to do what they can do to support action against low pay. In that context, I cannot support the Liberal Democrat amendment, because the Liberal Democrats are part of a Government that has presided over an increase of £974 in the cost of living for average families, while handing out tax cuts for the richest 1 per cent of the population, to the tune of £3 billion. Those are not the actions of a Government that is taking forward an agenda to protect people on low pay.

Willie Rennie (Mid Scotland and Fife) (LD): Does James Kelly agree with our amendment or does he not? I thought that Labour Party policy was to raise tax thresholds.

James Kelly: Mr Rennie needs to look at the Government's overall programme; the Government of which his party is a member has been more interested in handing out tax cuts to the rich than in protecting the low paid.

Let me deal with the point about legal advice, which is nothing more than a red herring behind which the SNP Government and its back benchers hide. The argument that to require that the living wage be paid would not be legal diminishes day by day. Members should look at the briefing—

Kevin Stewart: Will James Kelly give way?

James Kelly: Let me make the point. I refer members to the briefing that the Scottish living wage campaign provided for the debate, and specifically to what Professor Christopher McCrudden said. He said, as I mentioned during stage 2 of the Procurement Reform (Scotland) Bill, that if we tie payment of the living wage to a specific contract, that can be legal.

Professor McCrudden also made the valid point—this addresses the point that was made about Glasgow City Council—that the approach can be enforced if it is enshrined in procurement legislation. That would allow people who award public contracts to stipulate that the living wage must be paid.

Kevin Stewart: Mr Kelly has talked about legal advice. There is case law on the issue—*Rüffert v Land Niedersachsen*—which I have mentioned to Mr Kelly before. How does he think we can get over that case law, which is not just “legal advice”?

James Kelly: Never mind the case law—I will give practical examples. What about the care contracts at Renfrewshire Council, which is paying the living wage? What about the contracts in Islington? Even Boris Johnson can ensure that his contracts pay the living wage. Who would have believed that Nicola Sturgeon would be outflanked on the left by Boris Johnson?

It is time that we closed the low-pay loophole and introduced the living wage in all public contracts. The Government should not give us the excuse that we are too weak, too poor or too stupid to introduce the living wage in this Parliament. Are we a proper Parliament or a debating club? This is a chance to send out a powerful signal in support of fairness. It is time for the Parliament to stand up for working people, and it is time for the SNP Government and its back benchers to stand up and be counted.

I move,

That the Parliament acknowledges the support for the living wage from across the political spectrum, civic Scotland and the business community; notes that over 400,000 people in Scotland are working for less than the living wage and that nearly two thirds of these are women; further notes that payment of the living wage would boost the earnings of a full-time minimum wage worker by over £2,600 a year; understands that Scotland's public sector spends approximately £10 billion on procurement; believes that this spending power could and should be used to build a moral economy, and therefore calls for the Procurement Reform (Scotland) Bill to be amended to extend the payment of the living wage to public contracts.

16:01

The Deputy First Minister and Cabinet Secretary for Infrastructure, Investment and Cities (Nicola Sturgeon): I welcome to the gallery members of staff from the national museum of Scotland. I am not going to use them as a political football. However, it will be of interest to Parliament to hear that, following discussions between the Cabinet Secretary for Culture and External Affairs and the chair and director of National Museums Scotland, the organisation is preparing proposals to introduce the Scottish living wage for employees of its trading company. *[Applause.]*

I thank James Kelly for giving the Government yet another opportunity to record our active support for the living wage and to state our commitment to doing as much as possible to tackle pay inequality, both with the powers that we have now and even more so with the additional powers that we will secure with a yes vote in the referendum later this year.

The Government's commitment to the living wage goes beyond rhetoric, and is evidenced by the clear and decisive action that we have taken. We are, after all, the first Scottish Government ever to pay the living wage to our own employees and to everyone who works in the national health service, and we are committed to doing so for the entire duration of the Parliament. That is a decisive, long-term commitment to those who are on the lowest incomes.

James Kelly talked about “rank hypocrisy”. That would be an apt term to apply to the speech that

he has just made. Let us not forget that Labour was in government in Scotland for eight years and that at no point during those eight years did it come close to adopting the living wage for its own staff or for staff in the NHS. As they say, Presiding Officer, actions speak much louder than words.

Although the Government does not set pay levels for staff in the private sector or, indeed, for staff in those parts of the public sector that are not covered by our pay policies, we nevertheless strongly and actively encourage all public, private and third sector organisations to pay the living wage. We fully support the principles of the wider living wage campaign. That support is illustrated not just through our own pay policy, but through our funding of the Poverty Alliance to pilot a living wage accreditation scheme to increase the number of private sector employers that pay the living wage in Scotland—a campaign that will be rolled out over the course of this year. No one should doubt the Government's commitment to payment of the living wage.

Labour's motion covers an issue that we have debated before: whether the Procurement Reform (Scotland) Bill can impose the living wage on contractors. The Government has given serious and careful consideration to how we use the bill to advance the living wage. It has never been a question of doing nothing; instead, the question is how to do as much as we can while staying within the confines of European law.

We sought advice from the European commissioner who is responsible for public procurement. The clear response, which reflects European Union case law, is that we cannot make the living wage a mandatory condition of contract. Glasgow City Council agrees with that. It said, as Chic Brodie mentioned, that EU regulations do not allow a mandatory requirement to pay the living wage in its contracts.

James Kelly mentioned Professor McCrudden's legal opinion, which in effect says that we should amend regulations in order to set a higher minimum wage, thereby ignoring the fact that this Parliament does not have power over the minimum wage. Professor McCrudden's legal opinion—I am citing paragraph 16, should James Kelly want to find it—says:

"I have not been instructed to consider whether such an amendment would be ... within the powers of the Scottish Parliament, and have not done so."

Islington Council was also mentioned; its website says that, where EU law applies, the requirement for the living wage should not be made a precondition at the tender stage. The law is clear. We will continue to lobby for a change in EU law—

Gavin Brown (Lothian) (Con): Will the Deputy First Minister take an intervention?

Nicola Sturgeon: I will not, just now.

We cannot ignore the prevailing position simply because we do not agree with it. Equally, we are not prepared to do nothing, so we have in the bill made provision relating to payment of the living wage. What we propose in the bill is significant. It should have the full support of any party that is serious about advancing the cause of the living wage. The bill contains provisions that are designed to ensure that, through statutory guidance, purchasing decisions take account not just of pay and benefits, but of the employer's general approach to its workforce. In practice, that means that, especially in contracts where low pay is traditionally an issue, companies that wish to bid would have their approach to managing, rewarding and engaging with their workforce fully evaluated as an important part of the procurement process. That would send a very powerful message to businesses.

James Kelly: Will the Deputy First Minister take an intervention?

Nicola Sturgeon: I will not, just now.

Part of the evaluation would be about pay and benefit. That was made implicit at stage 2. However, to make it more explicit, I confirm that I have lodged a Government stage 3 amendment that will put the reference to remuneration and payment of the living wage on the face of the bill. I also advise Parliament that I have lodged another stage 3 amendment that will require public authorities to set out in their procurement strategies their policy on ensuring that the companies with which they contract pay the living wage.

Jenny Marra (North East Scotland) (Lab): Will the Deputy First Minister take an intervention?

The Deputy Presiding Officer: The Deputy First Minister is in her last minute.

Nicola Sturgeon: The amendments will strengthen the bill and help to ensure that payment of the living wage gets the priority that it deserves. Crucially, they will do so without breaching European procurement law.

This Government's commitment to the living wage is beyond doubt. That is evidenced not just by words, but by action. If there is a yes vote in the referendum, we would also win—[*Interruption.*] Labour Party members may want to listen to this—

The Deputy Presiding Officer: Can we have some order, please?

Nicola Sturgeon: We would also win the powers to ensure that the minimum wage would rise every year at least in line with inflation, and

not fall behind the cost of living as it did when Labour was in power and Alistair Darling was Chancellor of the Exchequer, which was a disgrace.

As we debate this issue, I hope that members will recognise the Government's record and achievements on the living wage and get behind us as we further promote it.

I move amendment S4M-09740.2, to leave from "the support" to end and insert:

"that the Scottish Government is the first to adopt the Scottish living wage for all staff covered by its pay policy and for all staff in the NHS; notes that it is also working to encourage all other employers to pay the living wage; notes that it has introduced the Procurement Reform (Scotland) Bill, which includes provision for statutory guidance to ensure that, whenever relevant, workforce matters, including pay and benefits, are fully evaluated as part of public procurement processes; further notes that it has funded a pilot for the Poverty Alliance to promote living wage accreditation and increase the number of employers paying the living wage in Scotland, and further acknowledges that the Scottish Government has given a commitment that, in an independent Scotland, it would establish a fair work commission to tackle pay inequality and that it has also given a guarantee that, after a Yes vote in the referendum, the Scottish national minimum wage would rise every year at least in line with inflation."

16:09

Willie Rennie (Mid Scotland and Fife) (LD):

The national museum of Scotland staff in the gallery will be pleased with the Deputy First Minister's announcement. The introduction of the living wage will be a welcome supplement to their weekly income. I suspect that, from now on, the gallery will be full of staff seeking pay rises. I hope that the Deputy First Minister will consider those appeals in future weeks.

We had intended to support James Kelly's motion, but he has done a pretty good job of putting us off doing so. His "To hell with the law, no matter the consequences" approach is a bizarre approach that I find difficult to accept from a party that seeks to be a party of government here. Nevertheless, we support the ambitions that James Kelly has set out.

James Kelly: Will Willie Rennie give way?

Willie Rennie: I will not give way just now.

Those ambitions include the ambition to advance the cause of the living wage using the big economic lever of the multibillion pound procurement budget to drive up people's living standards, and the ambitions to give them a decent standard of living and to recognise the benefit of work and of incentivising it and making it pay. We believe that we should use the Procurement Reform (Scotland) Bill fully to that end, so I welcome the announcements that the

Deputy First Minister made about strengthening the bill in that regard.

James Kelly: Mr Rennie said that I dismissed the law, but I made it absolutely clear that it has been stated in answers in the European Parliament that payment of the living wage can be linked to contract performance. I outlined a clear legal basis on which to move forward, and I urged the Government to explore that; I did not ignore the law.

Willie Rennie: That is not how it came across. If Mr Kelly had made his point as he has just made it, perhaps I would not have reacted as I have.

I think that we should set the issue in context. Economic conditions are improving—130,000 more people are in work than were in work in 2010, and the number of people in work increased by 3,000 in the last quarter. The longer-term trend in unemployment is that it is going down, despite the slight rise in the last quarter, so we are moving in the right direction. Growth is also up.

We can use the proceeds of that growth to help people who are on low wages. In that context, it is important to recognise that the minimum wage has increased. Vince Cable has accepted all the recommendations of the Low Pay Commission and has indicated that he will support the commission's suggestion that there be increases in the minimum wage in the future, which is a positive step. Someone on the new rate of £6.50 an hour who works 36 hours a week will have an uplift of £355 a year in their income. That is a step in the right direction.

In addition, it has been indicated by Mr Cable's ministerial colleague, Jo Swinson, who represents Bearsden, that there will be a new approach of publicly naming and shaming companies that do not pay the minimum wage as a way of ensuring that they do so in the future, and of incentivising others to comply with the law. That will be on top of the significant fines that are already available to the authorities. The rise in the minimum wage is a positive step that is a result of the improving conditions in the economy.

The Government has a role to play in ensuring that, through taxation, we relieve the pressures on those who are on low and middle incomes, but especially those who are on low incomes. There has been a further rise in the tax threshold to £10,000, which puts £700 back in the pockets of low-income workers. In Scotland, 224,000 people have been taken out of tax altogether and 2 million people have had a significant cut in their income tax.

That means that the income tax of people across the UK who earn about 30 per cent less than the median wage—those who are skirting the poverty line—has dropped from 10 to 6 per cent,

which is a significant benefit to people on low incomes. I hope that Parliament would support that.

The Deputy Presiding Officer: Would you draw to a close, please?

Willie Rennie: I am disappointed with James Kelly's response. He indicated that he is not prepared to support our amendment, even though the Labour Party indicates that it is in favour of what the amendment says. The Scottish Government should support our amendment, too. It is a test: if the Government is in favour of relieving the pressure on people on low and middle incomes, it should support our amendment.

I move amendment S4M-09740.1, to insert at end:

“; welcomes the UK Government's decision to increase the national minimum wage (NMW) from October 2014; further welcomes that the UK Government accepted in full the Low Pay Commission's recommendations, including plans for bigger increases to the NMW in the future than have occurred in recent years; notes that a worker on the adult NMW working a 36-hour week, 52 weeks a year, will receive £355 a year more in their pay packet; welcomes the increase in the income tax personal allowance to £10,000 in 2014-15; notes that the UK Government's policy on income tax has lifted 224,000 of the lowest earners in Scotland out of income tax altogether, with over two million people benefiting from a tax cut, and supports plans to increase the personal allowance to £12,500 in the next UK parliamentary term.”

16:14

Gavin Brown (Lothian) (Con): We cannot fail to be moved by the genuine passion of James Kelly in his speech. It is clear that he believes firmly in the principle of the living wage. He asked whether we are

“a proper Parliament or a debating club”.

If we are to be a proper Parliament, careful analysis is required of any proposal that is put forward by any party—Government or Opposition.

The proposal that has been made is that the Procurement Reform (Scotland) Bill be amended, as the Labour Party and others suggested at stage 2, in order to make the living wage mandatory in all public sector procurement contracts. That is where the Labour Party's analysis is incomplete and partial. It is able to tell us how many people are affected, and to give a pretty accurate breakdown of who is affected and, indeed, the individual benefit for someone who moves from the national minimum wage to the living wage, but it has ignored some pretty important wider questions, such as what the financial cost would be to the public sector at each level in making the living wage mandatory across the entire £10 billion-worth of public procurement. That is an important question that needs to be answered.

Furthermore, what would be the total cost to the private sector? More specifically, what would be the cost to small businesses? I suspect that a greater proportion of those who are not being paid the living wage are in small businesses. Are there any sectors in our economy in which the margins are so tight that it would be particularly difficult to apply the living wage in them across the board?

Ken Macintosh (Eastwood) (Lab): Does Mr Brown accept that the costs of not paying the living wage are in many cases borne by the state, in particular in increases in housing benefit that are paid to people who are in employment?

Gavin Brown: I accept that there are different analyses and different parts of the equation to be looked at in their entirety. However, if a proposal is made, we have to look very carefully at the costs and then, having identified the costs, we must—which is more important—assess accurately where the money will come from to pay the additional sums. We must also consider whether there would be any negative economic consequences. We must weigh in the balance the obvious positive consequence of somebody on a low salary being paid more money against the consequences of implementing the approach across the board, as Mr Macintosh and his party have suggested should happen.

Neil Findlay (Lothian) (Lab): One area in which there is an issue to do with margins is social care, in which disgracefully low wages are paid to people who do some of the most important work in our society. That is an issue about the wholesale underfunding of social care.

The Deputy Presiding Officer: You should not be giving a speech.

Neil Findlay: I would welcome a Scottish Government debate on that.

Gavin Brown: That was more a point than it was a question. We are happy to debate any issue, but we have to look very carefully at the economic consequences. If the approach simply means fewer jobs but people in employment being paid more, does Parliament as a whole believe that that would be to the benefit of the Scottish economy? There are important questions to be asked, and answers are required to all of them in order to take matters forward.

Having asked questions of the Labour Party, it is important that I also ask questions of the SNP. I attempted to do so by intervening, but the cabinet secretary did not give way to anybody in her speech, which is highly unusual for any cabinet secretary.

The Scottish Government commitment is not as clear when it comes to action as it is when it comes to rhetoric. I entirely accept that there are

individual MSPs in the SNP group who fervently believe in the living wage, but the Scottish Government's position is less clear.

James Kelly said that there are cleaners who are working on Scottish Government contracts who are not being paid the living wage. The Scottish Government did not deny that, and there was no question from any SNP member about whether that is true. I do not know whether it is true, but I was surprised that no SNP member challenged or attempted to deny such a statement.

We heard from the Scottish Government that it cannot take forward the procurement proposal because of EU law, but we did not hear from it, and we have not heard from it at any time, a commitment to amend the Procurement Reform (Scotland) Bill should Scotland vote yes in September. We have not heard at any time a commitment to a mandatory living wage, should Scotland become independent after 2014. It is doing nothing that is hugely different from what the current UK Government is doing, although it wants people to believe that it is.

The Deputy Presiding Officer: You must close, please.

Gavin Brown: I challenge the SNP—even one of its members—to give a commitment to a mandatory living wage should Scotland become independent.

16:19

John Wilson (Central Scotland) (SNP): I speak as a former member of the Trades Union Congress national minimum wage enforcement group and director of the Scottish Low Pay Unit. I welcome the debate on the living wage, as it raises important issues that we all have to take on board when we make demands for things such as the living wage. I give Gavin Brown a commitment, as an SNP member, that if we achieve a yes vote in September, I for one will campaign for the living wage to become the minimum wage in Scotland.

I believe that we have to pay people the wages that they are due for the services that they deliver. However, we must be aware that, at present in Scotland, women are still fighting local authorities to achieve equal pay settlements. North Lanarkshire Council is still holding out on making settlements on equal pay and single status. At a time when we are talking about introducing the living wage, which I would welcome, it is deplorable that any authority, particularly a Labour-controlled one, is still holding out on paying equal pay.

The issue with introducing the living wage or including it in the Procurement Reform (Scotland) Bill is that we have to ensure that the people

whom we want to be paid the living wage will genuinely benefit from it. At present, any worker who is in receipt of tax credits—or, as Ken Macintosh outlined, housing benefits—and who receives a rise in their earnings will have their tax credits clawed back in the following financial year. Therefore if we are to have a living wage paid to workers who are not currently on the living wage, we need to ensure that Her Majesty's Revenue and Customs does not claw that money back in the following financial year, as that would place a further financial burden on those families and workers. We have to be careful about what we are arguing for and how we deliver it. We need to ensure that no worker who receives the living wage, through the Scottish Government's decision or any other Government's decision, is penalised.

The crucial issue is that the Scottish Government does not control the national minimum wage. The national minimum wage is set based on a recommendation by the Low Pay Commission to the UK Government. It is up to the UK Government to decide whether to accept that recommendation. Willie Rennie is right that we have heard commitments from Liberal Democrat ministers that they will accept the Low Pay Commission's recommendation on the uprating of the minimum wage. However, we must get guarantees that those uprating figures will not impact severely on the workers who deserve not only the minimum wage but a living wage.

As we go forward as a society, particularly in Scotland, we have an opportunity to raise the living standards of every worker through wages or other employment conditions. Gavin Brown gave the old argument from the Confederation of British Industry that, unfortunately, if we raise the living wage, other workers might be penalised by having their hours cut or by losing their jobs. We have to take on board those other considerations and the wider aspects of the living wage.

The Deputy Presiding Officer: I call Cara Hilton. You may have up to four minutes, Ms Hilton, but I must point out that we are very tight for time.

16:24

Cara Hilton (Dunfermline) (Lab): The biggest concern for families across Scotland is not constitutional change but whether they have enough money in their pockets from one week to the next. For the average family, wages are down, tax credits have been cut and child benefit has been frozen while food prices, fuel bills and childcare costs continue to soar. The cost of living crisis is not a soundbite but a daily reality. For many, the opportunities that they had hoped their children would have seem beyond reach, and for too many workers, young and old, the only jobs on

offer are insecure and poorly paid, with few hours guaranteed.

Last week, a constituent told me that, at 40 years old, he had given up hope of finding what he called a proper job, and the only way he could make ends meet and keep a roof over his family's head was to take agency work. He is just one of the 400,000 workers across Scotland who are earning less than a living wage. To make ends meet, he had to work two jobs and long hours; although he had two young children, he hardly saw them because he was always out working—and he was still struggling to provide for his family, because he was only on the minimum wage.

In the chamber, we recently debated the rise of food banks and child poverty, and we all agree that action needs to be taken. However, the real scandal is that the majority of children in poverty have mums, dads or carers who are in work but who are on poverty pay, and that hard-working families are being pushed further and further into poverty.

One of the founding principles of the Labour movement was a fair day's pay for a fair day's work, and that principle is as relevant today as it has ever been. It is a national scandal that, in 21st century Scotland, many workers are working above and beyond the call of duty, often in two or three jobs.

Chic Brodie: Will the member give way?

Cara Hilton: I am sorry, but I have no time.

However, those workers are unable to make ends meet because they are not being paid a living wage. It is not enough for the Scottish Government to pay a living wage just to its own employees, welcome as that is; across Scotland, thousands of care workers, cleaners and catering staff, the majority of whom are women, continue to be paid less because they are on contracts instead of being directly employed by councils, the national health service or the Government. None of us should tolerate that low-pay loophole.

The Government invests £10 billion a year in procurement. That is a huge sum of public money, and it is time that the Government used its spending power to ensure that no company that pays its workers less than the living wage is awarded a public sector contract in Scotland. We do not need the powers of independence to make that a reality—we just need the political will.

Yesterday, the First Minister said that we needed to do more about women's employment—and he was right. Two thirds of those who earn less than the living wage are women. Low pay hits women hardest and equal pay is still a long way off. If inclusion and equality are really, as the First Minister said yesterday, at the heart of everything

that the Government does, why does it not act now to transform the lives of hundreds of thousands of workers, the vast majority of whom are women?

The First Minister also said that the glass ceiling has cracked in Scotland, but the reality for thousands of women workers in Dunfermline and across Scotland is of being trapped in a cycle of low-pay, low-skill jobs with few prospects for promotion. They are struggling to get through the week, never mind break through the glass ceiling. Many have no choice but to turn to payday lenders to make their money stretch and, as we heard in the previous debate on fuel poverty, many more are having to choose between heating and eating. Indeed, some are turning in desperation to food banks to feed their children.

We need a change of approach not only at Westminster but at Holyrood. It is time for the Scottish Government to show a real commitment to equality, to use the £10 billion at its disposal to close the pay gap and to ensure that every worker on a public sector contract receives a living wage. If Boris Johnson can do it, surely Alex Salmond can do it, too.

The Deputy Presiding Officer: You must close, please.

Cara Hilton: A living wage would transform family budgets, our economy and people's lives in Dunfermline and across Scotland. As Nicola Sturgeon has already said, actions speak louder than words. My constituents in Dunfermline want action now, not a promise of action in the future. I hope that the Scottish National Party will see sense and vote now to ensure better wages for workers across Scotland.

The Deputy Presiding Officer: We now move to three-minute speeches, and I apologise to those members whom we have had to drop from the debate.

16:28

John Mason (Glasgow Shettleston) (SNP): We should welcome the fact that the two largest parties in the Parliament are both committed to the concept of a living wage. I am not sure that that is the case at Westminster, which surely shows that people in low-paid employment will do better if Holyrood rather than Westminster controls this subject.

Jenny Marra: Will the member give way?

John Mason: I have only three minutes.

I very much welcome the statement in the white paper that after independence the minimum wage would rise

"at least in line with inflation".

That is the minimum, not the maximum, commitment. I am also happy to welcome the fact that Labour at Westminster introduced the statutory minimum wage.

The living wage is welcome and, indeed, makes a huge amount of sense. Surely people should as a norm be paid what they need to live on because otherwise, as has been mentioned, the state ends up subsidising employers through tax credits or similar. That public money could be better spent elsewhere instead of being used to subsidise profitable companies.

I accept that, as Gavin Brown pointed out, some employers could struggle if they had to pay all their staff £7.65 an hour. Such a fear was expressed when the statutory minimum wage was introduced, but it has proved to be largely unfounded. I suggest that many employers could afford to pay the living wage but choose not to do so. We can try to make paying the living wage a bit less voluntary but, at the end of the day, it will remain voluntary for many employers. Only the statutory minimum wage is compulsory.

Jenny Marra: Will the member take an intervention?

John Mason: I have only three minutes.

It has been said that, rather than seek new powers, Holyrood should use its present powers better. However, surely the living wage is an example of a key area where the present powers are not working. We do not have the power to increase the legal minimum wage, so we end up arguing about how to work round that. The clear answer is that we should be given the power to change the statutory minimum wage. Is there any logical reason why we should have a voluntary living wage of £7.65 that is separate from the statutory minimum wage of £6.31? If someone needs the living wage to live on, why is any employer allowed to pay less than that?

I have a couple of caveats on that point, though. First, if the living wage would have a big impact on a smaller business, we should tackle that with specific measures, such as a small business bonus or targeted grants. Secondly, we should probably build up to the living wage over an agreed timescale, such as five years, and keep an eye on progress as we go along.

I have two main questions for Labour. First, why restrict the living wage to public contracts? Would that not disadvantage the public sector when trying to compete with the private sector? Does it show that Labour does not care about workers in the private sector? Secondly, assuming that there is a no vote in September and that there is a Labour Government in Westminster in 2015, will Labour make a commitment that the statutory

minimum wage will go up to the level of the living wage?

16:31

Ken Macintosh (Eastwood) (Lab): Last year, the Joseph Rowntree Foundation revealed that, for the first time, more than half of the people living in poverty in Britain came from working households rather than jobless ones. That finding marked a fundamental change in the nature of poverty in this country, but it is a change that public and political opinion has struggled to reflect.

Our previous Labour-led Governments in the UK and Scotland made it a priority to tackle both pensioner and child poverty, and to a great extent we were successful in doing so, as pensioner poverty in Scotland was halved in the decade from 2001 to 2011 and child poverty in Scotland fell from 31 to 21 per cent over the same period. However, just as we finally made inroads into tackling those two social evils, the recession and our response to it created the wholly new social problem of in-work poverty.

Deprivation is not simply a problem that is faced by, or even caused by, a relatively small number of workless households, despite that stereotype still seeming to influence the Tory-led reforms of our welfare system. Far too many households now find themselves among the working poor and moving in and out of poverty and work, and on and off benefits. The whole conditionality regime of welfare reform only adds to the stress and hardship faced by such families. Of course, underpinning the phenomenon of the working poor is the scourge of low pay, which is why the living wage matters so much.

Over the past three years under the SNP Government, wages in Scotland have risen more slowly than inflation. The average Scottish household is now £1,700 a year worse off, but energy bills have risen by 37 per cent. However, in each of the past three years the finance secretary has imposed a wage freeze or a 1 per cent wage limit on public sector pay. These are not someone else's problems but our problems and we have the power to do something about them. That power is before the Parliament right now in the shape of the Procurement Reform (Scotland) Bill.

What I find most frustrating is that I know that there are those on the SNP benches who share that analysis. However, what is the Scottish Government doing in practice? It is handing out Government grants to companies such as Amazon that have no commitment to Scotland and which offer exploitative employment and poverty wages. Just last month, we heard of the scandal of the new grant that has been offered to Portfolio Recovery Associates, a firm that is paid to chase

debts for Wonga but which is getting Scottish Government backing and a £1.2 million helping hand.

During our discussion of the Procurement Reform (Scotland) Bill, the Cabinet Secretary for Infrastructure, Investment and Cities did not say that she disagreed with Labour's amendments; she said that she sympathised with them, supported them and even "whole-heartedly" endorsed them. However, the SNP voted down every single Labour amendment, voting against the living wage, wage differentials and trade union recognition. The SNP voted against every single proposal that said that we do not want to be a low-wage economy here in Scotland.

The Deputy Presiding Officer: I am afraid that you must close.

Ken Macintosh: The Parliament has the power to deliver transformational change. That requires political will.

16:34

Christina McKelvie (Hamilton, Larkhall and Stonehouse) (SNP): As colleagues on the Opposition benches must be aware by now, although they seem confused on several aspects of the debate, it was this SNP Government that introduced the living wage and not Labour, not even while the Labour leader Ms Lamont was a member of that Government. In fact, the last time Labour was in power, it failed even to protect the basic minimum wage from inflation.

This Government recognises that there are still far too many people working for very poor wages, especially the substantial group of women in part-time employment. While I am on the subject of women, I add that the Labour members who are shouting and bawling that the Government should be supporting women should speak to the women in South Lanarkshire who have had to fight a Labour-controlled council for 10 years to get their equal pay status agreed to.

Just in case members' arithmetic is not up to it, I point out that, going by the new figures today, the £7.65 per hour living wage is £1.15 an hour more than the UK minimum wage. If someone works 40 hours a week, that is £46 a week or almost £2,390 a year more—almost enough to offset some of the benefit losses and slow down business at food banks.

Just a couple of weeks ago—on 20 March, to be precise—Johann Lamont asked the First Minister why working people across Scotland were battling against the scourge of low pay. Truthfully, I was confused since, as I have already said, it was the SNP Government and not Labour that introduced the living wage and applied it throughout our

public sector, including in the NHS. It seemed a bit rich that Johann Lamont was condemning us for doing that. An article that was printed today about the Labour Party says "50 years and still waiting". We cannot have people on poverty pay waiting another 50 years. The Labour Party has led people on with false promises and has never delivered. That is the point.

This Government's establishment of a fair work commission and a guarantee that the minimum wage will rise at least in line with inflation is the right way to go. The requirement to pay the living wage was introduced by the Government's pay policy in 2011-12, benefiting approximately 6,000 workers. The £7.45 rate that was introduced a year ago benefits up to 3,300 workers and the new rise to £7.65 will ensure that they do not lose out against inflation, unlike when Labour rejected the idea of the much more basic minimum wage keeping pace with inflation.

I cannot understand where Labour is on procurement. Is it proposing Glasgow's legal policy or some obscure "Let's just ignore the law" policy in this place? Honestly, Presiding Officer, the Labour Party needs to get its act and its facts together on this and stop letting people down. We are not allowing it to do so for another 50 years.

The Presiding Officer (Tricia Marwick): We move to the winding-up speeches. Mr Rennie, you have only four minutes.

16:38

Willie Rennie: To listen to members on the SNP and Labour benches, we would think that they disagreed about the living wage, but the reality is that members across the chamber have an awful lot in common on it. To listen to many members who have spoken this afternoon, we would also think that the United Kingdom Government is doing nothing to help workers, especially low-paid workers, but that is not true either. The minimum wage is up, the economy is improving so that more people are in work, growth is up and unemployment has fallen. That is all based on a plan that many members in this Parliament said would not work, but it is moving in the right direction, if in little steps along that way.

I was deeply disappointed by James Kelly's approach to our amendment this afternoon. I assume that the Labour Party supports a rise in the minimum wage, which is included in our amendment. I assumed that, after Ed Miliband's remarks some time ago, Labour supported the rise in the tax thresholds. However, because Labour disagrees with other areas of our policy, it is not prepared to support anything that a Liberal Democrat says ever again. If I was to adopt that approach, because I disagreed with the Labour

Party on the Iraq war, I would never listen to anything that it said ever again, but I am not as narrow minded as that. I could take the stance that, because the Labour Party contributed to one of the biggest recessions that the country has seen since the second world war, I would never listen again to anything that it said, but I do not. I am prepared to look at amendments and proposals on their merits, and the Labour Party would be well advised to do the same.

I hope that the SNP will not make that mistake this afternoon and that it will support the Liberal Democrat amendment, because I assume that SNP members, too, support the rise in the minimum wage and the rise in tax thresholds. I heard Nicola Sturgeon say in response to me in this very chamber that she supported the rise in tax thresholds, so I presume that the SNP will be able to support our amendment this afternoon. Otherwise, I will be puzzled and will probably think that the SNP is taking the same approach as James Kelly has taken.

I would also like to hear from the Deputy First Minister when she responds whether she accepts the proposal that was made by John Mason and John Wilson that, in an independent Scotland, the minimum wage will be the living wage. I would like to hear whether that is the proposal that is coming forward, and I would be interested in whether that will be official Government policy in the run-up to the referendum, because that would be an interesting contribution to the debate. I would welcome some reflection from the Deputy First Minister on that point.

We should also recognise that, because of the improving economic conditions and the fact that inflation is under control, average wages in the UK are rising above inflation for the first time in a long time. The Ernst and Young ITEM club has indicated that that will continue to be the case for many years to come. In fact, it estimates that, in 2017, average wages will increase by 3.5 per cent and inflation will be about 2.2 per cent. Overall, that is a benefit to everybody who is in work across the country, and it is something that I hope that members, despite their muttering, will support.

I hope that our amendment's recognition of the minimum wage rising and the fact that we have the tax threshold rising mean that a cut to income tax is something that everybody in the chamber can support.

16:42

Gavin Brown: Willie Rennie was right when he said that the Labour Party and the SNP have more in common than they would care to admit, particularly when it comes to the living wage, because neither party has made a firm

commitment to a mandatory living wage were they to have the levers of power. The Labour Party was challenged to say whether it would do it, and it has not committed to doing it if it were to win the 2015 general election. The Scottish National Party has been challenged on it too, and has refused to commit to having a mandatory living wage, despite several of its back benchers saying that they would fight for it and others asking why any employer is allowed not to pay the living wage.

From a sedentary position, the Deputy First Minister shouted out, "The answer is in the white paper. Read it." It is on pages 106 and 107 of the white paper. There are a full two paragraphs out of 700 pages dedicated to the living wage in that document, and nowhere does it give a commitment to a mandatory living wage. At no point since then has there been a commitment from the Scottish Government to a mandatory living wage, and I am pretty sure that in this afternoon's closing speech we will not hear a commitment from the cabinet secretary to a mandatory living wage. The Government will not even tell us whether its commitment to increasing the national minimum wage by the rate of inflation is based on the retail prices index or the consumer prices index. I have asked that question numerous times in this chamber, and at no point has any minister been able to give the answer. Perhaps we will get the answer in the summation from the cabinet secretary.

John Mason made the fair point that, when arguments were made against a national minimum wage back in the late 1990s, some of the concerns turned out not to be correct in reality. I accept that. However, the same argument was put to Paul Johnson of the Institute for Fiscal Studies about a month ago at the Finance Committee and his answer was quite interesting, because it made it clear that there is a deeper and broader issue when we are referring to a living wage. The reason is this: the national minimum wage affects about 5 or 6 per cent of the workforce—that is an average, as the figure varies from year to year—and the living wage would affect approximately 20 per cent of the workforce, according to statistics from the Institute for Fiscal Studies, with which James Kelly's figure of 400,000 ties in fairly closely. If a policy affects 20 per cent of the workforce, of course there will be economic consequences. That is why we have argued that the issue must be considered carefully.

In our view, the Low Pay Commission makes a judgment about the point at which we can increase the minimum wage without a negative effect on employment or the labour market. Ultimately, whichever way the policy is implemented, the money has to come from somewhere. It can come from higher prices or it can come from fewer people in work. However, in both of those cases,

there are, clearly, negative economic impacts. For those reasons, the challenge for the Labour Party is to say what economic impact its proposal would have and the challenge for the Scottish Government is to say whether it is committed to a mandatory living wage if Scotland votes yes in September.

16:46

Nicola Sturgeon: I begin by agreeing with John Mason and—at least in respect of some of what he said—Willie Rennie. I think that we should probably spend more time celebrating the fact that, for most of us in this chamber, there is a genuine commitment to the living wage—to paying the living wage and to it being paid routinely by more employers. I agree with Labour's analysis of the importance of the living wage. I know that Labour is often blinded by its almost tribal dislike of the SNP but I say in all sincerity to Labour members that, given the commitment that the Government and I have to payment of the living wage, if I thought that it was possible to do what Labour is asking us to do through the Procurement Reform (Scotland) Bill, why on earth would I not do that? I agree with the living wage.

This issue is not—and never has been—about whether we use the Procurement Reform (Scotland) Bill to advance the living wage; it is about how we use that bill to advance the living wage.

Jenny Marra: For most of the afternoon, the Deputy First Minister's argument has been that EU law prevents the living wage from being delivered in Scotland. How would that change in an independent Scotland?

Nicola Sturgeon: That is not the argument that I have made. I have made the argument—I think that Gavin Brown has understood it a little bit better than Jenny Marra—that, with the powers of independence, we get the ability to increase the minimum wage, which Labour has allowed to fall behind the rate of inflation.

What Labour is arguing for today would breach EU law. It might not like that—I do not like it—but it is simply the case. I have quoted the commissioner's letter. It is available to all members of this chamber, and has been for some time. I have referred to case law—Kevin Stewart mentioned the actual case: *Rüffert v Land Niedersachsen*.

Islington Council has been mentioned. I praise Islington Council for the moves that it has made on the living wage, but its website says that, where contracts have a cross-border interest, the living wage should not be a precondition of the tender. In other words, that is the same position as we are in. Labour councils have been mentioned.

Glasgow City Council has already been quoted this afternoon, so I will quote Renfrewshire Council. When asked a specific question about whether it is legally possible to make the living wage a mandatory requirement of all contracts, it answered no. Similarly, Inverclyde Council said that it could not make the living wage a condition of its contracts. The fact that Labour seems to be intent on proposing something that would breach European law is perhaps typical of a party with such a poor record on the living wage.

Cara Hilton said that it is not enough for the Scottish Government to pay the living wage to all of those who are subject to our pay policy. I agree with that. I want the living wage to go much further than that. That is precisely why we are about to pilot an approach whereby we would seek to promote the living wage through the procurement process when we procure contracts. I do not argue that nothing more can or should be done. I am determined to do everything, within the law, that we are able to do. However, it is deeply ironic to be lectured on the issue by a Labour Party that, through eight long years in office in the Parliament, made no commitment to paying the living wage to anybody who was subject to its pay policy.

Jenny Marra: Will the Deputy First Minister give way on that point?

Nicola Sturgeon: I have already taken an intervention. If Jenny Marra will give me a second, perhaps she can respond to the point.

It is deeply ironic to be lectured by a Labour Party that, although it introduced the minimum wage—something for which it deserves great credit—allowed it to fall behind the rate of inflation. In the last two years of the Labour Government, when Alistair Darling was Chancellor of the Exchequer, the minimum wage did not even keep pace with the rate of inflation. I do not know how that is a decent record for Labour to defend, but I am happy for Jenny Marra to try.

Jenny Marra: The Deputy First Minister attacks previous Labour Administrations in the Parliament for not delivering the living wage. The living wage became a concept in August 2007, about four months after the SNP Government was elected. The argument is folly. Will she commit herself?

Nicola Sturgeon: So—hold on a wee second—low pay did not exist in Scotland before August 2007. For goodness' sake, what has the Labour Party become? [*Interruption.*]

The Presiding Officer: Order.

Nicola Sturgeon: The attitude of this Government is to focus on what we can do. That is what the Procurement Reform (Scotland) Bill does.

Willie Rennie: Will the Deputy First Minister give way?

Nicola Sturgeon: I am sorry, but I am in my last minute.

The Procurement Reform (Scotland) Bill makes significant progress—more so as a result of the two significant amendments that I announced today, which I hope will have the full support of Labour members. It provides for statutory guidance that will ensure that, when public authorities procure contracts, they properly evaluate companies' approaches to managing and paying their workforces. It will allow us to continue the work that we are already doing to promote the living wage in the private sector, the third sector and all the public sector, even where our pay policy does not apply.

Those are real, tangible and meaningful measures and they are also legal measures. Competent Government does what it can within the law. The Government is proud to promote the living wage and will continue to do so.

16:52

Jenny Marra (North East Scotland) (Lab): Let us clear up a few things. We have been told again and again by the SNP this afternoon that our proposals are against EU law. I will come on to address that, because I do not believe that they are against EU law on advice from the European Commission. I will explore that with the Deputy First Minister.

Let us also clear up a few things as to commitment to the living wage in Scotland. Glasgow City Council was the first employer in Scotland to introduce a living wage for its employees. The FOI response that says that it is not in a position now to introduce the living wage—

John Wilson: Will Jenny Marra give way?

Jenny Marra: Let me finish the point.

The response says that Glasgow City Council is not in a position to introduce the living wage for workers on its contracts and specifically states that that is

“as per the guidance received from the Scottish Government”,

so it is guidance from the Scottish Government that precludes Glasgow City Council from paying the living wage.

In her closing speech, Nicola Sturgeon said that she would have the power to raise the minimum wage to the living wage in an independent Scotland, despite the fact that she thinks that it is against EU law. However, she fails to commit to that in her amendment to the motion.

I will tell a story about the living wage in Scotland and give an example from Dundee of how the living wage was won for 150 low-paid workers.

In November 2012, students of the University of Dundee started a campaign when they found out that 150 members of staff were earning less than the living wage. Of those 150 workers, 112 were women. Those staff are administrators, office staff and clerical staff—staff who are more likely to work in a second job, to experience stress or illness as the statistics tell us and to spend less time with their families because they have to work longer to put food on the table. They were mainly women. What began as a campaign by a few university students grew into one that was eventually supported by all the unions involved. After months of protesting, marching and arguing on campus, those students won the fight for the living wage to be paid to every member of staff at Dundee university.

The living wage was won in Dundee last year because the political will was there and the fight was there. That is what the SNP Government needs to show. I do not believe for a second that, if the students of Dundee university can win the living wage for 150 staff, the Scottish Government cannot use the power that is in the palm of its hands right at this moment to deliver the living wage for the thousands of workers who are working on its contracts.

I listened carefully to the reasons that the SNP gave this afternoon for rejecting our proposal to deliver the living wage to thousands of low-paid workers across Scotland. The SNP says that that would break EU law. I wish to challenge that assumption on three counts. First, legal advice from Thompsons Solicitors, which has been endorsed by a host of organisations, including the Scottish Trades Union Congress, the Poverty Alliance, Unison, the GMB and others, clearly states that, within the current EU rules, and taking into account European case law, the living wage can be delivered as a performance clause in public procurement contracts in Scotland, provided that certain criteria are met and, if necessary, that justification is given for doing so.

To my mind, any Government that is given such clear advice and that purports to be committed to the living wage would not think twice about using that advice and working with organisations.

Nicola Sturgeon: It is not clear, but I assume that Jenny Marra is referring to Professor McCrudden's opinion, which I quoted earlier. I wonder whether she would like to respond to the paragraph that I quoted earlier:

“I have not been instructed to consider whether such an amendment would be ... within the powers of the Scottish Parliament, and have not done so.”

Will the member respond to that particular point?

Jenny Marra: As a lawyer, the Deputy First Minister knows that law trumps legal advice, so let me tell her what the European Commission is saying on the matter. In a response in January 2013 to a question from David Martin MEP, the Commission said:

"Living wage conditions may be included in the contract performance clauses of a public procurement contract 'provided they are not directly or indirectly discriminatory and are indicated in the contract notice or in the contract documents'."

If the Deputy First Minister wishes to take issue with the clear guidance from the European Commission, I would be very interested to hear that.

Nicola Sturgeon: As Jenny Marra rightly said, the actual law trumps legal opinion. I wonder whether she will comment on the actual case law of *Rüffert v Niedersachsen*, a case of the Court of Justice of the European Union, which says that it cannot be made a mandatory condition. That is real law. Will Jenny Marra comment on that?

Jenny Marra: If the Deputy First Minister was so committed to implementing a living wage across Scotland, she would take what I am referring to, from the European Commission, seriously. She would go back to her desk this afternoon, phone the European Commission and find out whether what I am saying is true.

Nicola Sturgeon: I agree with Jenny Marra that it would be good if that European law would change. The First Minister will be in Brussels on Monday, and he will be raising the issue with the European Commission. Surely Jenny Marra will agree that, while the law is as it is, we cannot simply ignore it. Is it not better for her to get behind us as we do what we can in the Procurement Reform (Scotland) Bill to promote the living wage? She should stop posturing and start backing real progress.

The Presiding Officer: You are in your last minute, Ms Marra.

Jenny Marra: It is absolutely ludicrous that the Deputy First Minister accuses me of posturing this afternoon, after she was photographed for the living wage and then instructed her members to vote against it in committee.

I very much hope that the First Minister will take David Martin's question and answer with him to Brussels next week and ask the European Commission whether it is legal for Scotland to implement the living wage. The Deputy First Minister can then instruct her members to vote for the Labour amendment to implement a Scottish living wage across Scotland. It is the fair thing to do, and she knows it.

Business Motion

16:59

The Presiding Officer (Tricia Marwick): The next item of business is consideration of business motion S4M-09784, in the name of Joe FitzPatrick, on behalf of the Parliamentary Bureau, setting out a business programme.

Motion moved,

That the Parliament agrees the following programme of business—

Tuesday 29 April 2014

2.00 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Topical Questions (if selected)

followed by Scottish Government Debate: Inshore Fisheries

followed by Legislative Consent Motion: Deregulation Bill – UK Legislation

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Wednesday 30 April 2014

2.00 pm Parliamentary Bureau Motions

2.00 pm Portfolio Questions
Health and Wellbeing

followed by Scottish Conservative and Unionist Party Business

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 1 May 2014

11.40 am Parliamentary Bureau Motions

11.40 am General Questions

12.00 pm First Minister's Questions

12.30 pm Members' Business

2.30 pm Parliamentary Bureau Motions

2.30 pm Public Petitions Committee Debate:
Petition 1453, Organ Donation in Scotland

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

Tuesday 6 May 2014

2.00 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Topical Questions (if selected)
followed by Scottish Government Business
followed by Business Motions
followed by Parliamentary Bureau Motions
 5.00 pm Decision Time
followed by Members' Business
 Wednesday 7 May 2014
 2.00 pm Parliamentary Bureau Motions
 2.00 pm Portfolio Questions
 Infrastructure, Investment and Cities;
 Culture and External Affairs
followed by Scottish Government Business
followed by Business Motions
followed by Parliamentary Bureau Motions
 5.00 pm Decision Time
followed by Members' Business

Thursday 8 May 2014

11.40 am Parliamentary Bureau Motions
 11.40 am General Questions
 12.00 pm First Minister's Questions
 12.30 pm Members' Business
 2.30 pm Parliamentary Bureau Motions
followed by Scottish Government Business
followed by Business Motions
followed by Parliamentary Bureau Motions
 5.00 pm Decision Time—[*Joe FitzPatrick.*]

Motion agreed to.

Decision Time

17:00

The Presiding Officer (Tricia Marwick): There are six questions to be put as a result of today's business. I remind members that, in relation to the debate on fuel poverty, if the amendment in the name of Margaret Burgess is agreed to, the amendment in the name of Alex Johnstone falls.

The first question is, that amendment S4M-09747.2, in the name of Margaret Burgess, which seeks to amend motion S4M-09747, in the name of Jackie Baillie, on fuel poverty, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Allard, Christian (North East Scotland) (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)
 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)
 Fabiani, Linda (East Kilbride) (SNP)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Keir, Colin (Edinburgh Western) (SNP)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 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 (Aberdeen Donside) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)

McMillan, Stuart (West Scotland) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Russell, Michael (Argyll and Bute) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 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) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

Against

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

The Presiding Officer: The result of the division is: For 63, Against 49, Abstentions 0.

Amendment agreed to.

The Presiding Officer: The amendment in the name of Alex Johnstone falls.

The next question is, that motion S4M-09747, in the name of Jackie Baillie, on fuel poverty, as amended, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Allard, Christian (North East Scotland) (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)
 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)
 Fabiani, Linda (East Kilbride) (SNP)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Keir, Colin (Edinburgh Western) (SNP)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 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 (Aberdeen Donside) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Russell, Michael (Argyll and Bute) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)

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

Against

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

The Presiding Officer: The result of the division is: For 63, Against 50, Abstentions 0.

Motion, as amended, agreed to,

That the Parliament welcomes the publication of the Scottish Fuel Poverty Forum's final report on 24 March 2014 and its acknowledgment that the Scottish Government has continued to honour its commitment to

eradicate fuel poverty by way of support and funding; notes the latest fuel poverty statistics published in the report, which show that there were 647,000 households in fuel poverty in 2012, a drop of 74,000 households compared with 2011; recognises that the Scottish Government will spend around a quarter of a billion pounds over the three year period, 2013-14 to 2015-16, on fuel poverty and energy efficiency, using its funding to lever in additional investment, reduce carbon emissions and support jobs; further recognises that, since the government came to office in 2007, over 600,000 households have had energy efficiency measures delivered across Scotland, and welcomes the Scottish Government's proposal in *Scotland's Future: Your Guide to an Independent Scotland* to significantly cut energy bills year on year by transferring funding for ECO and Warm Home Discount from energy companies to the Scottish Government thereby ensuring continued funding for fuel poverty and energy efficiency measures designed specifically to meet Scottish circumstances.

The Presiding Officer: The next question is, that amendment S4M-09740.2, in the name of Nicola Sturgeon, which seeks to amend motion S4M-09740, in the name of James Kelly, on the living wage, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Allard, Christian (North East Scotland) (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)
 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)
 Fabiani, Linda (East Kilbride) (SNP)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Keir, Colin (Edinburgh Western) (SNP)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 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 (Aberdeen Donside) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Russell, Michael (Argyll and Bute) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 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) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

Against

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Brown, Gavin (Lothian) (Con)
 Buchanan, Cameron (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Davidson, Ruth (Glasgow) (Con)
 Dugdale, Kezia (Lothian) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Findlay, Neil (Lothian) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Renfrewshire South) (Lab)
 Hilton, Cara (Dunfermline) (Lab)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alex (North East Scotland) (Con)
 Johnstone, Alison (Lothian) (Green)
 Kelly, James (Rutherglen) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 Macdonald, Lewis (North East Scotland) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 Malik, Hanzala (Glasgow) (Lab)
 Marra, Jenny (North East Scotland) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 McArthur, Liam (Orkney Islands) (LD)
 McDougall, Margaret (West Scotland) (Lab)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McMahon, Michael (Uddingston and Bellshill) (Lab)
 McMahon, Siobhan (Central Scotland) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Mitchell, Margaret (Central Scotland) (Con)
 Murray, Elaine (Dumfriesshire) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)

Rennie, Willie (Mid Scotland and Fife) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stewart, David (Highlands and Islands) (Lab)

The Presiding Officer: The result of the division is: For 63, Against 50, Abstentions 0.

Amendment agreed to.

The Presiding Officer: The next question is, that amendment S4M-09740.1, in the name of Willie Rennie, which seeks to amend motion S4M-09740, in the name of James Kelly, on the living wage, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Hume, Jim (South Scotland) (LD)
 McArthur, Liam (Orkney Islands) (LD)
 McInnes, Alison (North East Scotland) (LD)
 Rennie, Willie (Mid Scotland and Fife) (LD)

Against

Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Allard, Christian (North East Scotland) (SNP)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Bibby, Neil (West Scotland) (Lab)
 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)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Davidson, Ruth (Glasgow) (Con)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Dugdale, Kezia (Lothian) (Lab)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Goldie, Annabel (West Scotland) (Con)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Renfrewshire South) (Lab)

Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hilton, Cara (Dunfermline) (Lab)
 Hyslop, Fiona (Linlithgow) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kelly, James (Rutherglen) (Lab)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Macdonald, Lewis (North East Scotland) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Malik, Hanzala (Glasgow) (Lab)
 Marra, Jenny (North East Scotland) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McDonald, Mark (Aberdeen Donside) (SNP)
 McDougall, Margaret (West Scotland) (Lab)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMahon, Michael (Uddingston and Bellshill) (Lab)
 McMahon, Siobhan (Central Scotland) (Lab)
 McMillan, Stuart (West Scotland) (SNP)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Murray, Elaine (Dumfriesshire) (Lab)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Russell, Michael (Argyll and Bute) (SNP)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, David (Highlands and Islands) (Lab)
 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) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

Abstentions

Brown, Gavin (Lothian) (Con)
 Buchanan, Cameron (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Johnstone, Alex (North East Scotland) (Con)
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)
 McGrigor, Jamie (Highlands and Islands) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Smith, Liz (Mid Scotland and Fife) (Con)

The Presiding Officer: The result of the division is: For 4, Against 98, Abstentions 11.

Amendment disagreed to.

The Presiding Officer: The next question is, that motion S4M-09470, in the name of James Kelly, on the living wage, as amended, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Allard, Christian (North East Scotland) (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)
 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)
 Fabiani, Linda (East Kilbride) (SNP)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Keir, Colin (Edinburgh Western) (SNP)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 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 (Aberdeen Donside) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Russell, Michael (Argyll and Bute) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 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) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

Against

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

The Presiding Officer: The result of the division is: For 63, Against 50, Abstentions 0.

Motion, as amended, agreed to,

That the Parliament acknowledges that the Scottish Government is the first to adopt the Scottish living wage for all staff covered by its pay policy and for all staff in the NHS; notes that it is also working to encourage all other employers to pay the living wage; notes that it has introduced the Procurement Reform (Scotland) Bill, which

includes provision for statutory guidance to ensure that, whenever relevant, workforce matters, including pay and benefits, are fully evaluated as part of public procurement processes; further notes that it has funded a pilot for the Poverty Alliance to promote living wage accreditation and increase the number of employers paying the living wage in Scotland, and further acknowledges that the Scottish Government has given a commitment that, in an independent Scotland, it would establish a fair work commission to tackle pay inequality and that it has also given a guarantee that, after a Yes vote in the referendum, the Scottish national minimum wage would rise every year at least in line with inflation.

Fixed-odds Betting Terminals

The Presiding Officer (Tricia Marwick): The final item of business is a members' business debate on motion S4M-09263, in the name of Stuart McMillan, on fixed-odds betting terminals. The debate will be concluded with no question being put.

Motion debated,

That the Parliament expresses concern at recent reports that £4.4 billion was wagered in Scotland on fixed odds betting terminals (FOBTs) in 2013, and also at reports in the *Greenock Telegraph* that £77 million was gambled in the year to September 2012 on FOBTs in Inverclyde; understands that the machines, usually found in bookmakers, allow gamblers to spend hundreds of pounds every 20 seconds on games such as roulette or simulated racing; further understands that many former gamblers have described FOBTs as the "crack cocaine of gambling" due to the speed at which large sums of money can be lost and because of their highly-addictive qualities, and acknowledges the work of Gamblers Anonymous and other organisations across West Scotland and the rest of the country in raising the awareness of the dangers of FOBTs and giving support to those who seek help.

17:07

Stuart McMillan (West Scotland) (SNP): I thank the members from across the parties who have supported my motion and allowed this debate to take place. I also thank the campaign for fairer gambling, which I met last week. Many of the statistics that I will quote on fixed-odds betting terminals have come from research reports that it has supplied, which I would be happy to forward to any member who would like them.

What is a fixed-odds betting terminal? An FOBT is a casino-style gaming machine that is found in our communities' betting shops. Seventy per cent of the players of those machines say that they would potentially stop playing them if roulette games were removed, so it is clear that casino-style roulette is the main feature, or certainly the main attraction, of FOBTs.

FOBTs started to appear in betting shops only at the turn of the millennium, but their number has grown: the Gambling Commission reports that there are now more than 33,000 FOBTs in Britain's betting shops, and in 2011-12 FOBTs overtook traditional over-the-counter betting on sports such as horse racing and football as the main source of revenue for high street bookmakers.

FOBTs are unique because, unlike slot machines—or fruit machines or puggies, as they are more commonly known—on which players are restricted to a £2 maximum bet per play, FOBTs allow players to stake up to £100 per spin every 20 seconds. The machines are a cash cow for bookmakers, with the top companies making more

than £900 per week profit from each machine that they operate. Unlike over-the-counter bets, that is completely risk-free profit for the company.

It is important to highlight that I am not against betting shops, betting or having a flutter and nor am I on a crusade to bring the betting industry to its knees. What I am fundamentally against is bookmakers targeting areas of deprivation and high unemployment and keeping shops open solely for the purpose of operating FOBTs.

The betting industry might deny that it targets areas, but the facts speak for themselves. Inverclyde, which is mentioned in the motion and has a population of just over 82,000, has 70 FOBTs spread across 19 betting shops. Meanwhile, in Aberdeenshire, which has a population three times that of Inverclyde, there are 78 FOBTs spread across 21 betting shops—just two more shops in an area that has three times the population. Why is the number of FOBTs per head of population in Inverclyde three times higher than it is in Aberdeenshire? What is the difference between Inverclyde and Aberdeenshire? I suggest that it is the unemployment rate. Inverclyde's unemployment rate is currently above the Scottish national average, whereas Aberdeenshire has the lowest unemployment rate in Scotland. Surely the betting industry cannot claim that that is sheer coincidence.

There are further examples of what I am describing. In West Dunbartonshire there are 89 FOBTs, which is 11 more than there are in Aberdeenshire, despite its population being, again, a third of Aberdeenshire's. In East Renfrewshire, whose population is similar to those of West Dunbartonshire and Inverclyde, there are only 56 FOBTs. A comparison of the unemployment levels might reveal the reasons for that.

Betting shop opening hours now stretch from 7 o'clock in the morning to 10 o'clock at night. The shops beam in horse racing from Argentina and show animated races. I do not believe for a minute that shops stay open because customers want to have lots of punts on Argentinian horses or to study the form in cartoon dog racing. It is clear to me that the sole purpose of staying open so late and opening so early is to operate FOBTs.

That is also the firm opinion of many reformed gamblers. Last week I met a former gambler from Inverclyde. His life was turned upside down by FOBTs and he lost everything, but with the help of Gamblers Anonymous he has come through to the other side. I take this opportunity to record my admiration for the work that organisations such as GA carry out and to commend the bravery of the individuals who seek such organisations' help.

From my conversation with that former gambler, and from reading reports on the issue, I have been

alarmed to discover that FOBT users are increasingly likely to be young males and that females are increasingly getting hooked. I have learned that young apprentices have lost their jobs and that a football club in the Scottish Professional Football League has contacted GA for help for young trainees.

I have now written to the chief executives of Scotland's 32 local authorities, asking them to consider inviting representatives from GA to speak to pupils in secondary 3, S4 and S5 in their areas about the dangers of FOBTs and the effect that gambling can have on people's lives.

The personal human impact of FOBTs and the damage that any form of addiction to them can do to individuals and families are frightening. Some 62 per cent of FOBT players say that they have gambled until all their money has gone, 68 per cent say that if they lose they will chase their losses, 69 per cent say that when they win they want to keep on gambling, and 59 per cent say that they will put whatever they win back in the machine.

It is not just about the impact on individuals. FOBTs also have a damaging effect on the local economy, given that each pound that is spent in such a machine is a pound that is not spent elsewhere in that economy.

In its briefing for today's debate, the Association of British Bookmakers said that regulation of FOBTs would lead to job losses in the industry. However, expenditure on FOBTs supports little employment, compared with consumer spending elsewhere in the economy. In a report by Howard Reed, who is the director of Landman Economics, it is claimed that £1 billion of expenditure on FOBT machines supports 7,000 jobs in the United Kingdom. In comparison, £1 billion of average consumer spending supports 20,000 jobs. Therefore, I contend that FOBTs are costing more jobs than they are creating.

How do we tackle FOBTs? Campaigners would like the maximum bet on machines to be reduced from £100 to £2, in line with other gaming machines in the UK. Some 53 per cent of players say that they would potentially stop playing the machines if the maximum stake was only £2, so the approach seems to be logical. I certainly back such an approach.

Increasing the time between bets from the current 20 seconds might also help to reduce the amount that is wagered on FOBTs. I back that approach, too; it would give players more time to consider what they are doing.

Regulation of gambling is reserved to Westminster, as is regulation of FOBTs. Therefore, last week I wrote to the new Secretary of State for Culture, Media and Sport asking him to

consider seriously regulation of FOBTs. Reducing the maximum bet on the machines is something that the Department for Culture, Media and Sport could do right now. I also kindly ask members on the Conservative and Liberal Democrat benches to speak to their colleagues at Westminster on the matter.

In Scotland, we must consider all the options. Today, I attended a summit that was organised by the Minister for Local Government and Planning on gambling in our town centres. Although gambling is a reserved matter, licensing and planning are not.

Since I started speaking, someone somewhere in Scotland will have been able to gamble up to £2,200 on one of these terminals—a large sum, I am sure that members will agree. I hope that the Parliament can play its part in helping our communities to deal with the machines.

17:15

Patricia Ferguson (Glasgow Maryhill and Springburn) (Lab): I offer my congratulations to Stuart McMillan on securing the debate. The subject is of particular concern to the communities that I represent as well as to those in Inverclyde, so I am pleased to have the opportunity to speak this evening.

The statistics show that the proliferation of bookmakers and the impact of fixed-odds betting terminals are endemic in poorer communities—Stuart McMillan is right to highlight that fact. A recent study by the campaign for fairer gambling demonstrated that people in the poorest parts of Scotland staked almost double the amount on addictive gambling machines that was staked by those in wealthier areas. The communities of Possilpark and Keppochhill in my constituency rank second and third in the most deprived data zones in Scotland but they have no shortage of fixed-odds betting terminals. Saracen Street alone is estimated to have 31 of them.

That the terminals are addictive gambling machines cannot be in question. As the motion acknowledges, they have been described as the “crack cocaine” of gambling addiction. Evidence shows that for every 1 per cent increase in unemployment in an area, there is a 20 per cent increase in the number of bookmakers, and by 2012 the profit that was generated for bookmakers from the terminals had reached more than £1.4 billion. It is abhorrent that that profit is being made on the backs of the poorest people in our communities right across the country.

In Glasgow, the Labour-controlled council is working hard to tackle poverty through a range of measures including apprenticeships, support for the living wage, improvements in childcare and the

establishment of Glasgow's poverty leadership panel. Through those actions, the problems that are caused by debt, income inequality, payday lenders, addiction and fixed-odds betting terminals can be addressed, but there is only so much that the city council can do on its own. It needs the support of the Scottish and United Kingdom Governments, which must act too.

The summit that is being convened by the minister to look at the twin issues of payday lenders and gambling outlets is very welcome and I look forward to hearing more about the summit, perhaps this evening in the cabinet secretary's speech. I hope that it will lead to local authorities being given the power to use planning and licensing laws to address the proliferation of those predatory industries in our communities. Recently, my council colleagues Chris Kelly and Helen Stephen and I successfully lobbied Glasgow City Council to have its new licensing statement recognise Possilpark as an area of concern because of the disproportionate number of alcohol-selling outlets that it has. We must take a similarly focused approach to fixed-odds betting.

We must also look to the UK Government to take action. In its most recent budget, it acted to increase the tax take from such terminals, but that does nothing to reduce the impact of the terminals in our communities; it merely increases their importance as a cash cow for the Government and perhaps makes it less likely that the Government will act to reduce the misery that they cause. Unfortunately, we have not seen any signs from the Tory-led Government that it is likely to direct a single penny of that additional revenue to tackling poverty or to addressing addiction.

We must, however, keep the Government under pressure to take action, as Stuart McMillan rightly said, to reduce the maximum stake, which is currently £100, to £2; to increase the time between plays; and to allow flexibility in the four-terminal limit to enable a greater restriction on the number of machines that there can be in any one outlet. A reduction in the maximum stake could be achieved right now—it would not even need primary legislation.

I mentioned that fixed-odds betting terminals are the crack cocaine of gambling addiction. If there were to be a crack cocaine addiction explosion, Governments would quite rightly act. The explosion in the use of fixed-odds betting terminals in communities such as mine deserves a similarly robust approach. It is incumbent on government at all levels to act to address that growing problem. I very much hope that our debate helps momentum to be gained in that direction.

17:20

Nigel Don (Angus North and Mearns) (SNP): I congratulate Stuart McMillan on securing the debate, because it is an extremely important issue. I confess that I knew very little about it, so I had to stop and think about it. While I did so, Brechin community council approached me to ask what could be done because it was concerned about such gambling in my home town.

I want to slightly widen out the issue that Stuart McMillan has raised. We seem to be living in a country where gambling has become normalised. Gambling and betting organisations seem to sponsor an awful lot of sport to the point that, when I was recently using my iPhone because I was interested in seeing the world snooker championship results, I found that, in the simple process of moving my finger across the image on my screen, I touched a button that took me straight to an online gambling site. It was just there—I had not even tried to find it.

Perhaps I am a heretic, a puritan or a strange guy or something, but it seems to me that gambling is a rather silly thing to do, unless those gambling know something that the bookies do not. If gamblers know that the machine will give back only 97 per cent of what they have put into it and, as Stuart McMillan has mentioned, most people will keep on putting in the money until it no longer comes out, then banging their heads against a brick wall and throwing their money into a river might at least give people the joy of banging their heads against a brick wall. It is a crazy occupation.

People gamble because they think that they might gain something, because there is an adrenalin rush or perhaps because other people do it, so they think that it is cool to do it, too. However, the only possible result is debt. Citizens Advice Scotland provided a very interesting brief, which explains some of the very sad cases related to gambling. Of course, CAS deals with debt arising from other situations as well.

Why on earth would we as a society want to have machines that take the money out of the pockets of people who are not being very sensible and who therefore need a bit of help and advice? Why are we letting that happen? The gambling industry is similar to the tobacco industry. There is no safe way to use a cigarette. If a person derives a short-term benefit from it, so be it. Some people smoke for a very long time and it does not kill them but, by and large, we know that smoking is an extremely bad idea. I can think of no earthly reason why gambling is a good idea. If someone can advise me otherwise, I ask that they please do so.

When we look at the particular issue of fixed-odds betting machines, there are some specific

suggestions. As other members have mentioned them, I will not rehearse the same points. However, if we see such machines as the biggest problem with gambling—I think that is what the statistics say—and we can find ways to reduce the problem by decreasing the size of the bet and by increasing the cycle time, I think that those would be good ideas to progress.

I recognise that gambling is a reserved matter, so I do not want to be too pointed in my remarks. However, I encourage the Government to consider, particularly if we ever do get the powers to deal with the issue, which I hope we do, how we could make gambling as a whole less attractive and more difficult. How do we get folk to understand that gambling is a daft idea? The bookies are in business because they set the odds in their favour. We see that in spades in fixed-odds betting machines—people are bound to lose. We really should not be doing it, should we? We really should not be allowing it. Therefore, it is a challenge to Government to ask how on earth we are going to stop it. I am not pretending that this is an easy matter. However, the suggestion that such gambling is perfectly legal is a very good reason for ensuring that it is not legal.

17:24

Annabel Goldie (West Scotland) (Con): I too thank Stuart McMillan for securing the debate. I am clear that there remains a serious case to answer about the potential harm caused by fixed-odds betting terminals, but it is important to ensure balance in any discussion.

Naturally, we are all concerned about the figures that have been mentioned. Last year in Scotland, an astonishing £4.4 billion was wagered using such machines, and considerable amounts of money can be spent in relatively short periods of time. However, any action that is taken in response must be based on evidence.

The gambling industry is an industry that provides jobs and pays taxes—indeed, it will pay more taxes under measures that the Chancellor of the Exchequer announced recently. It is an industry that, if run responsibly, can provide a safe and enjoyable leisure activity. After all, gambling is legal. Although I understand Mr Don's apprehension about it as an activity, in a free society it is something that we permit.

That is why, although I support the intention behind the motion—indeed, I have signed it—I have some observations to make. The suggestion that it is possible to gamble

“hundreds of pounds every 20 seconds”

invites question. Can machines be loaded that quickly? I do not know. Is there evidence to that effect? If so, let us see it.

It is clear that it is possible to gamble considerable amounts of money in relatively short periods of time in other ways—for example, at traditional casinos, at horse races or online—but I accept that there is particular concern about fixed-odds machines. I also accept and sympathise with Mr McMillan's concern about the prevalence of such machines in Inverclyde. It is important that robust player protections are put in place.

The amount of money that is spent at FOBTs, the fact that relatively high stakes can be bet relatively quickly and easily, and the disproportionate contribution that money from such machines appears to make to high street bookmakers' takings should provoke thought and discussion. Although the number of betting shops is not rising significantly, there is a feeling that they are becoming a more obvious feature of our towns and cities and they are handling greater and greater sums of money. I was interested in Mr McMillan's analysis of the geographical spread of such premises.

That is why, last year, the UK Government launched a consultation to shed some light on the use of fixed-odds machines. That was important, because we must ensure that any action that is taken is proportionate, effective and evidence based. The consultation did not provide clear evidence for a way forward. In particular, evidence was not forthcoming that there was a direct link between FOBTs and problem gambling. It appears that problem gambling is not higher among those people who play fixed-odds machines. It was found that the vast majority of users played them occasionally and spent relatively modest sums. Research confirms that those who have a gambling problem—we should be quite clear that that is serious—use a variety of products.

The UK Government has taken steps, including the implementing of a voluntary code, and I understand that it is looking closely at whether other measures should be introduced. I accept that the regulation of gambling is a reserved matter, but action can be taken in Scotland to promote responsible gambling. The Scottish ministers and, through them, licensing boards have the power to set fees and licence conditions for all gambling premises, and it is within their power to refuse licences on the basis of risk to vulnerable groups. Local authorities also have the power to grant a licence that includes additional conditions.

As the motion notes, there is a need to increase awareness of problem gambling and to improve support to those who have a problem. It is good that the Scottish health survey now collects

information on the issue, which is available, and I commend the work of organisations such as Gamblers Anonymous, with which a number of us have engaged. They do excellent work in educating people about the potential dangers of gambling and providing support to those who have a problem. That work is every bit as important as any restrictions that might be contemplated for betting shops in our high streets.

17:28

Hanzala Malik (Glasgow) (Lab): Good evening, Presiding Officer.

I thank Stuart McMillan for securing the debate on a topic that is a major issue for my constituents in Glasgow. As has been mentioned, £4.4 billion was wagered in Scotland in 2013 through the use of fixed-odds betting terminals. I am worried about that statistic and believe that FOBTs are a scourge on Scotland. They are sometimes referred to as the crack cocaine of gambling because of the speed at which large sums of money can be lost and their highly addictive roulette content, which mean that they make a higher contribution to problem gambling than any other form of gambling.

FOBT gambling is the main source of revenue for betting shops, so no wonder the bookmakers defend it so vigorously. The Association of British Bookmakers states that betting shops do not target deprived areas, but that is clearly untrue, as there are more than twice the number of betting shops in poorer areas of Scotland than there are in the most affluent areas.

For every additional £1 billion that is spent on FOBTs, an estimated 7,000 jobs are created in the betting sector. The ABB's submission to a Government consultation claimed that 7,800 betting shops and 39,000 jobs would be at risk if there was a reduction in the FOBT maximum stake from £100 to £2 per spin to bring FOBTs in line with all the other high street gaming machines. However, each pound that is spent on FOBTs, net of winnings, is, by definition, a pound that is not spent elsewhere in the economy. For every £1 billion that is spent on FOBTs, consumer spending on other goods and services falls by £1 billion, which reduces employment in other industries by around 20,000. Increases in spending on FOBTs are likely to destroy jobs in the British economy rather than create them.

The Government must reduce the maximum stake on those machines from £100 to £2 per spin and reduce the number of machines from four per shop to one per shop.

A spokesperson from the campaign for fairer gambling said:

"The bookmakers manipulate data and make it seem like these machines are benefiting"

the community. That is far from the truth. The betting shops are real and are devastating our communities. Something needs to be done to stop them. Therefore, I support the motion.

17:32

The Cabinet Secretary for Justice (Kenny MacAskill): Like other members, I will start by thanking Stuart McMillan for raising the issue. I thank him in particular, but I also thank other members around the chamber, who have made very thoughtful and pointed comments.

Stuart McMillan's speech was thoughtful and well researched. He pointed out the correlation between fixed-odds betting terminals and areas of poverty and deprivation. That was echoed by Hanzala Malik and Patricia Ferguson. There seems to be something stark there, whether we are talking about the Inverclyde-Aberdeenshire divide or the point that Patricia Ferguson made about Keppochhill and Possil. That is an issue, and we have to tackle it.

As has been said, the matter is reserved, but there are actions that can and doubtless will be taken, whether by local authorities or by us. I welcome the support that has been given to the summit that my ministerial colleague held. I can confirm to Patricia Ferguson that I have no doubt that Derek Mackay will be happy to keep her in the loop.

The problem is not one that only we in Scotland face. I think that Nigel Don showed that the issue is global. It is not simply a matter of what we get on the internet; we can hardly watch a sporting event without seeing the portrayal of gambling. That is certainly the case with professional football.

As Annabel Goldie said, it is a matter of balance to some extent. The Scottish Government is not anti-gambling. We acknowledge that gambling provides harmless entertainment to many people and is a significant provider of both employment and taxes, as Annabel Goldie mentioned. There are people in my and Stuart McMillan's party who are known to enjoy a flutter. Good luck to them. I do not participate in that but, as I said, it is a matter of balance.

We also recognise that the activity can have a significant negative impact on individuals and the wider community, so it needs to be appropriately regulated. The ultimate focus of our concern is problem gambling, not gambling itself. I think that there is a clear view in the chamber that it is a matter of concern, certainly in areas that are blighted by social and economic deprivation.

On the impact of compulsive gambling, the Scottish Government is aware of the efforts of all the organisations and agencies on the front line. I am glad that Stuart McMillan put on record his gratitude to those agencies, which work so hard, and I echo that. They are the people who pick up the pieces after addiction has set in. We acknowledge and are grateful for the valuable work of Gamblers Anonymous and other organisations across Scotland that raise awareness of the dangers that are associated with gambling and give support to those who seek help.

The issue is not restricted to areas of socioeconomic deprivation. As Patricia Ferguson and Stuart McMillan said, more recently it also seems to have jumped across the gender divide. Some sections of the population gamble in different ways, but the issue remains fundamentally the same. Those organisations cannot fight the battle on their own. They need considered engagement from the Government and the Parliament and they need effective legislation although, as many members have said, the matter is reserved.

The consequences of problem gambling can be seen in Scotland. The 2012 Scottish health survey identified that about 31,000 adults in Scotland were problem gamblers. We recognise the harm that can flow from compulsive gambling. Although the numbers of problem gamblers may seem relatively small, their addiction can have a devastating impact on them and those close to them. We can see the cost in broken families, suicides and criminality.

Scotland should be able to deal with this problem, but we simply do not have the powers that we need to do so at present, as the regulation of gambling is reserved to Westminster. Our view is that the UK Government has not done enough to address problem gambling. I am grateful to the members who have written to the UK Government to raise their concerns. When Westminster significantly liberalised the regulation of gambling in 2005, I doubt that it fully recognised the impact that technology would have. The Gambling (Licensing and Advertising) Bill is a step in the right direction, but it is a very limited step. However, we welcome some particular aspects, some of which Annabel Goldie mentioned. The offshoring issue must be addressed.

Stuart McMillan's motion asks that we express concern about the stakes that are wagered on fixed-odds betting terminals and that we understand the possibly addictive nature of those machines. Many members commented on that point. As the Minister for Community Safety and Legal Affairs said earlier this month, the Scottish Government shares Stuart McMillan's concern

about the impact of new technologies in gambling, particularly fixed-odds betting terminals, and the previous liberalisation of gambling laws.

The first step in addressing the concern is to ensure that we fully understand the impacts, so we need more detailed research. We are grateful for and welcome the steps that the Responsible Gambling Trust has taken to explore the issue. Despite the limited scope that we have for taking the action that is needed in Scotland, we will do what we can. It is incumbent on the Scottish and UK Governments and local authorities to do so. I have written to UK ministers and we will continue to work with the Gambling Commission to raise our concerns.

We have also taken steps to initiate a wider discussion about gambling. As Patricia Ferguson mentioned, today, the Minister for Local Government and Planning hosted a summit on town centres to explore the impact of betting shops and payday loan companies on our communities. Most members commented on that. There is a clear correlation and something almost site specific regarding areas of multiple deprivation. I am glad that we have shared concerns across the Parliament on that issue. We recognise that the Scottish Government has a job of work to do, and we will seek to do it. I have no doubt that Derek Mackay will happily engage with and give feedback to those who attended and those who were not able to attend today's summit to see what action we can take.

There will be a role for local government. Patricia Ferguson talked about the action that Glasgow City Council has sought to take, which is welcome. It is also welcome that we have an opportunity to put on record our concern that, although we welcome the action that Westminster is taking, further action is needed, because it appears to me that the issue will only grow.

I again thank Stuart McMillan for raising the issue. I express my gratitude to members for recognising the problem. Whether in London, Edinburgh or our local authorities, we will work together to try to reach a shared solution.

Meeting closed at 17:39.

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