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Pàrlamaid na h-Alba

Official Report

MEETING OF THE PARLIAMENT

Thursday 2 October 2014

Session 4

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Scottish Parliament

Thursday 2 October 2014

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

General Question Time

The Presiding Officer (Tricia Marwick): Good morning. We have general questions. Question 1, in the name of Gordon MacDonald has been withdrawn. The member has provided me with an explanation.

Craighouse Development (Planning Application)

2. Jim Eadie (Edinburgh Southern) (SNP): To ask the Scottish Government how many representations it has received calling for the Craighouse development planning application to be called in. (S4O-03562)

The Minister for Local Government and Planning (Derek Mackay): I can advise the member that 303 such representations have been received as of 1 October.

Jim Eadie: The proposal to build on the Craighouse site, one of the seven hills of Edinburgh, contravenes Scottish planning policy in relation to enabling development, as any development should be the minimum necessary to prevent the loss of the asset and secure its long-term future. Given the national significance of the Craighouse site, its A-listed buildings and unique wildlife and biodiversity, does not the minister agree that the decision on it is of such national importance, setting as it does a dangerous precedent for other valuable sites in Scotland, that calling in the planning application is justified? Will he now do that?

Derek Mackay: I emphasise first that the general principle under which the planning system in Scotland operates is that decisions should be taken at the most appropriate local administrative level unless there are compelling reasons for taking them at a higher level. The impacts of this application are local to the Craighouse area of Edinburgh and do not raise issues of national importance that would merit Scottish ministers calling in the application. I will write to the member later today outlining further detail on that.

I do not believe that planning applications set precedents, because each case is taken on its individual merits. However, I remind the member that although the planning authority has approved the application, there are still outstanding planning

obligations—a section 75 agreement—to be agreed.

Alison Johnstone (Lothian) (Green): Given that seven local councillors objected and spoke at the planning hearing, that the local MP and MSPs objected and that a record number of public objections were received—over 1,200—is it not time that the Scottish Parliament looked seriously at third-party right of appeal?

Derek Mackay: I will write also to Alison Johnstone, who, like Mr Eadie, has been very vocal on the matter. It is my view, and it has been the view of Parliament in taking forward planning reform, that the legislation is broadly in the right place. When Parliament previously considered the matter, it did not support or approve third-party right of appeal. I have no immediate plans to reconsider that. However, I do, of course, want greater and stronger engagement from the public in the planning process.

Cameron Buchanan (Lothian) (Con): Does the minister not agree that the problem is that the precedent set involves building on green space, which is what we are trying to avoid in Edinburgh? There have been so many objections to the planning application from all parties that I would have thought that it would now be called in.

Derek Mackay: No. Again, in planning one application does not set a precedent for others. Every case must be considered individually, with all the material considerations at hand and due process, and therefore it will not set a precedent. Those who have objected might not be happy with the local authority's decision, but I emphasise again that I do not have adequate grounds for believing that it would be appropriate to call the application in. The matter is for the local authority to determine. As I said, the application is not complete, because the section 75 agreement has still to be agreed.

Barnett Formula

3. Jamie Hepburn (Cumbernauld and Kilsyth) (SNP): To ask the Scottish Government what its position is on reports that the Barnett formula will be reduced by the United Kingdom Government over time. (S4O-03563)

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): The Scottish Government is clear that the continuation of the Barnett allocation of resources represents an integral component of the vow made by the leaders of the Conservative, Labour and Liberal Democrat parties in the run-up to the referendum. We will continue to represent the best interests of the people of Scotland by holding those parties to account for the promises that were made.

Jamie Hepburn: The cabinet secretary mentioned the commitment made in the so-called vow. Does he share my concern that in the Westminster motion published on 22 September on devolution, there was no mention of funding, despite the vow? Does he agree that any enhanced devolution settlement must not disadvantage Scotland?

John Swinney: The observation that Mr Hepburn makes is absolutely correct. It caused concern that, with the vow having had such prominence during the referendum campaign, reference to the continuation of the Barnett allocation of resources was absent from the parliamentary motion that was tabled in the House of Commons.

Quite clearly, the Scottish Government works at all times to ensure that the financial arrangements that support the Scottish Parliament are maintained in the interests of the people of Scotland. That is exactly what we are doing in our current negotiations around the implementation of the Scotland Act 2012 and it is what we will continue to do in the discussions around any further powers in the years to come.

Malcolm Chisholm (Edinburgh Northern and Leith) (Lab): I think that we are all agreed on the Barnett formula, but does the cabinet secretary accept that this is a political decision and that we have an undertaking from all the relevant political leaders in the UK? Does he also agree that with further fiscal devolution, which we all support, this will not be such a heated issue in England, given that the Barnett principle can still be followed but the grant to Scotland will not be such a major part of public expenditure in the United Kingdom?

John Swinney: On the Scotland Act 2012, the devolution of financial responsibilities will result in the devolution of the tax base for approximately 1.5 per cent of the block grant that the Scottish Parliament currently receives from the United Kingdom Parliament. There is a question of scale about all these points.

It is important—and this is where I agree with Mr Chisholm—that the commitments that were given in advance of the referendum, which included the continuation of the Barnett allocation of resources, are maintained without question. That is the view that I take in the discussions that I am having about the block grant adjustment in relation to the Scotland Act 2012 and it will underpin the Government's attitude towards any further devolution in the years to come.

Annabel Goldie (West Scotland) (Con): Given that the main adjustment to the amounts received under Barnett will be consequent upon this Parliament being given increased powers to raise income tax, what will the Scottish Government's

priorities be in relation to income tax? Will its priority be to lower tax rates or to increase them?

John Swinney: I will happily set out to Parliament next Thursday the first tax rates that will ever have been set by a finance minister in Scotland when I set land and buildings transaction tax and landfill tax rates. That is of course the appropriate moment for Parliament to be told about the tax rates. Parliamentary announcements will be made on the levels of income tax that will be set in Scotland in relation to the devolution of responsibilities coming from the Scotland Act 2012 at the appropriate budget opportunities.

National Resilience Centre (Role of Dumfries and Galloway Council)

4. Elaine Murray (Dumfriesshire) (Lab): To ask the Scottish Government what discussions it has had with Dumfries and Galloway Council regarding its role in the proposed national resilience centre in Dumfries. (S4O-03564)

The Minister for Environment and Climate Change (Paul Wheelhouse): On 14 August, I visited Dumfries to launch the new national centre for resilience. It will largely operate on a network basis but will have a physical presence at the Crichton centre from where it will be co-ordinated. The leader and other elected members and officials of Dumfries and Galloway Council and representatives of other partner organisations joined me to welcome this exciting initiative.

What I announced was the concept, which has been warmly welcomed by the resilience community. The centre will be up and running in 2015-16 and we are continuing to work with key partners such as Dumfries and Galloway Council to enable the centre to develop a work programme that will help emergency responders and others to increase resilience and preparedness at national and community levels.

Elaine Murray: I thank the minister for his response, but he will be aware that Dumfries and Galloway Council is keen to meet him and his officials to discuss how they can take this forward.

The process for establishing the centre has been described as a four-stage process. Which stage is the process now at and what timeline does the minister anticipate for the launch of the centre for research and resilience in Scotland?

Paul Wheelhouse: I thank Dr Murray for her interest in this subject, which I know is an important one for her constituents. On the next steps, we are in discussion with partners and stakeholders about the project management arrangements for the centre. Initial project meetings will take place later this month, so hopefully we will get some progress in the course of the month. Separately, the Scottish funding

council is looking at the research opportunities and is consulting on how those are progressed. I am happy to keep the member informed of that through the Cabinet Secretary for Education and Lifelong Learning, Mr Russell, and other colleagues as things progress. We would hope to have the centre up and running as early as possible in 2015-16, depending on human resource issues and the appointment of key personnel. It is an exciting opportunity for Dumfries, which has an important role to play in the future of resilience in Scotland.

United Kingdom Government Debt (Implications)

5. Chic Brodie (South Scotland) (SNP): To ask the Scottish Government what discussions it has had with the Treasury on the implications for Scotland's budget from 2016-17 to 2020-21 of United Kingdom Government efforts to reduce its debt of £1.57 trillion as at the end of 2016. (S4O-03565)

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): It is estimated that the Scottish Government's resource departmental expenditure limits budget could be lower by around £4 billion in 2018-19 than when the current UK Government came to office in 2010-11 as a result of the £25 billion of cuts projected by the Chancellor of the Exchequer in the March budget. That would represent a potential real-terms reduction in Scotland's resource DEL budget of approximately 15 per cent over that period. The Scottish Government has financial information from the UK Government until the financial year 2015-16 but does not have any detailed financial information for thereafter.

Chic Brodie: The Institute for Fiscal Studies report that was produced on the day after the referendum indicated that the UK Government plan had been that public sector net debt should fall as a share of national income. However, the report showed that the latest forecast from the Government's Office for Budget Responsibility suggests that the target will be missed and the latest forecast for UK public finances implies that further deep cuts of £37.6 billion will be made to public service spending between 2015-16 and 2018-19, on top of the £8.7 billion that has already been set out for 2015-16.

The Presiding Officer: I am not sure that that was a question, cabinet secretary, but on you go.

John Swinney: The information that Mr Brodie has given is important information about the future of public expenditure in the UK and the effect that it will have in Scotland. The messages that we have heard in the past couple of weeks from the shadow chancellor and the chancellor indicate that

a prolonged period of public expenditure reductions and austerity will be implicit whether a Conservative or a Labour Government is elected at the 2015 UK general election. Accordingly, that will present significant difficulties and challenges for public expenditure and public services in Scotland.

The Presiding Officer: Question 6 in the name of George Adam has been withdrawn for perfectly understandable reasons.

Looked-after Children (Educational Outcomes)

7. Willie Coffey (Kilmarnock and Irvine Valley) (SNP): To ask the Scottish Government whether it monitors how the educational outcomes for looked-after children in kinship care placements compares with those of children in residential or foster care. (S4O-03567)

The Cabinet Secretary for Education and Lifelong Learning (Michael Russell): Generally, tariff scores of children in kinship care with friends or relatives are higher than those of children in residential care, but lower than those of children in foster care. However, the data is subject to large fluctuations due to the small numbers of children in these categories.

Willie Coffey: I know that the data samples are small and subject to fluctuations, but there appears to be a significant difference in educational outcomes between, for example, looked-after children who live at home and those who live away from home. Can the cabinet secretary assure me that looked-after children have access to the same learning support services, no matter where they are being looked after?

Michael Russell: There has been a keen focus on improving the outcomes for looked-after children because they have been far too low for far too long. We are seeing some significant advances in the work being done with looked-after children and it is producing far better outcomes for them. However, none of us in this chamber will rest until those outcomes are as good as they are for other children. It is important that we continue to support and resource a variety of schemes, including some innovative schemes in Glasgow that are making a difference for looked-after children.

Ebola

8. Alex Johnstone (North East Scotland) (Con): To ask the Scottish Government what preparations it has made to deal with any Ebola outbreak. (S4O-03568)

The Minister for Public Health (Michael Matheson): The Scottish Government has been working closely with Health Protection Scotland to

minimise the risk of an outbreak of Ebola virus in Scotland. I have met experts from HPS to discuss these issues.

The national health service in Scotland already has well-established and effective protocols for dealing with highly infectious diseases, but updated and revised professional guidance for healthcare workers has been issued in light of this outbreak. In particular, general practitioners and front-line healthcare workers have been advised that they must be extra vigilant when dealing with patients who have recently travelled to affected areas.

Scottish Government officials continue to take part in weekly United Kingdom teleconferences to monitor the outbreak and levels of preparedness, and Scottish Government officials are also directly involved in regular international teleconferences to ensure that we have the most up-to-date information.

The level of risk posed to Scotland by Ebola continues to be very low, but we are not complacent and will respond accordingly if the risk increases.

Alex Johnstone: I understand that, this week, the news about outbreaks in Nigeria is good, and that the level of infection might be falling. However, has the Government made any specific assessment of the danger attached to movement between Nigeria and the north-east of Scotland related to the oil and gas industry? Are there any specific preparations for changing the status, should any risk be identified?

Michael Matheson: The member makes a good point. Some progress has been made in some of the affected countries, but there are countries in which the risk continues to increase. Therefore, we must be vigilant in how we continue to deal with the matter. I can inform the member that Health Protection Scotland has been engaging with the oil industry in the north-east on the potential risks to workers who operate on the west coast of Africa and has been discussing a range of measures that the industry should consider taking to ensure that its personnel are properly protected. It has also discussed the need for the industry to have in place appropriate measures to ensure that, when individuals return to Scotland, they have appropriate support, if necessary, should they find themselves unwell.

Dumfries Hospital

9. Neil Findlay (Lothian) (Lab): To ask the Scottish Government when work on the new Dumfries hospital will commence. (S4O-03569)

The Cabinet Secretary for Health and Wellbeing (Alex Neil): Construction of the replacement for the Dumfries and Galloway royal

infirmery is planned to commence in spring 2015. Procurement work and development of the business case are on-going. A major milestone was recently reached, as NHS Dumfries and Galloway announced the preferred bidder for the project.

Neil Findlay: On this project, the Aberdeen bypass and the new Dundee museum, we see companies that have been up to their necks in blacklisting securing public contracts without taking any remedial action to own up, apologise or pay up to the victims.

Given the assurances that we were given during the passage of the Procurement Reform (Scotland) Bill, why is that still happening, and will the new guidance have any impact?

Alex Neil: The Scottish Government's opposition to blacklisting was made clear in guidance that was issued in November 2013, which was developed in partnership with a number of trade unions. It gave public bodies new pre-qualification questions, as well as a new contract clause to enable the contracts of those who blacklist to be terminated.

The contractual provisions in the project agreement for the hospital, currently drafted for the non-profit distribution procurement model that is being used for the project, state that all bidders must fully comply with all prevailing legislation in relation to procurement and employment matters that is in force at the award of the contract, including those provisions that relate to blacklisting.

Alex Fergusson (Galloway and West Dumfries) (Con): Is the cabinet secretary aware that many of my constituents in the west of my constituency, particularly in Stranraer, are concerned that as the development of the Dumfries hospital takes place, the run-down of services that are currently available through Stranraer hospital might continue? Will the cabinet secretary assure me that he will work with the local health board to ensure that the range of services that is currently available in Stranraer continues to be available as the new hospital is established?

Alex Neil: I emphasise that services are not being run down in Stranraer. I recognise the particular challenges around the accident and emergency unit. There is provision for six and a half full-time equivalent accident and emergency consultants. Two have recently been recruited and we hope to recruit more people to those positions. I am fully aware of the challenges of attracting doctors to live and work in the Stranraer area and, along with the health board, I am considering a number of options to make moving into the Stranraer area more attractive to people with the

qualifications and skills, specifically so that they can work in the local hospital in Stranraer, which is an excellent facility.

First Minister's Question Time

11:59

Engagements

1. Johann Lamont (Glasgow Pollok) (Lab): To ask the First Minister what engagements he has planned for the rest of the day. (S4F-02303)

The First Minister (Alex Salmond): With your permission, Presiding Officer, the Government will make an announcement this afternoon, and I want to give the chamber notice of it.

It is over 20 years since the poll tax came to an end, and I believe that the expanded electoral roll should not be used to collect poll tax debts. It is, of course, within the law for councils to use current information to assess current council tax liability and, given that the council tax reduction scheme protects 500,000 of our poorest citizens, the tax is being applied in a proper and fair way. However, the relevance of information from the current electoral register to the position of debts from 25 years ago is difficult to fathom except through some misguided political intention. The total amount of poll tax debt that was collected around Scotland last year was £396,000. I therefore announce today that it is the Government's intention to bring forward legislation to ensure that councils can take no further action to recover ancient poll tax debts. After 25 years, it is about time that the poll tax was dead and buried in Scotland. [*Applause.*]

The Presiding Officer (Tricia Marwick): It would have been helpful, First Minister, if I had had some indication that you intended to make an announcement. The Parliament might have been better served by a statement at some point during today's business.

Johann Lamont: I look forward to the First Minister's legislative programme and to his ending the underfunding of local government full stop.

Let us get back to First Minister's question time. This week, we learned that the Scottish Government is failing to meet its targets for cancer treatment waiting times and that we are flying in consultants from India to cover weekend staffing shortages. The health service that the First Minister made front and centre of his failed referendum campaign is facing £0.5 billion of cuts that his Government refuses to acknowledge. Against that backdrop, how is the First Minister's golf handicap coming along?

The First Minister: Two things: the performance against the 31-day cancer treatment target is 96.3 per cent in Scotland, which is above the 95 per cent target, and the performance

against the 62-day target is 92.9 per cent, which is below the target but a significant improvement not just on the previous quarter but on any figure that was achieved when the Labour Party was in power. Johann Lamont will remember that the target was never met in any quarter over the entire time that the Labour Party was in power. The figure of 92.9 per cent is short of the target but significantly higher than the achievements in both England and Wales. Nonetheless, we must strive to meet our cancer targets in full, because they are hugely important for the Scottish people.

The national health service budget will increase in real terms next year. Mr Swinney will announce budget proposals for the following year in his announcement next week. Johann Lamont can be absolutely certain that the Government will honour its commitment to ensure that the front-line national health service budget continues to increase in real terms—something that was not promised by the Labour Party either in 2007 or in the run-up to the 2011 election. I suspect that that is one of the key reasons why the Government is trusted on the national health service and the coalition of Opposition parties is not.

Johann Lamont: The First Minister might not be aware of this, but Dr Peter Bennie, the chair of the British Medical Association Scotland, has asked for “an honest, public debate”. The First Minister’s response fails on every single count and reveals a degree of complacency that even I am astonished by.

Just weeks before Scotland made the decision to vote no, the chief executives of our health boards held crisis talks with Scottish Government officials about the future of the NHS. They warned that £0.5 billion of cuts were coming down the line. After two years of dismissing the daily warnings of staffing shortages, missed targets and failures in patient care, is the First Minister now willing to have the real debate about the future of our NHS that the health boards are asking for, or is he going to concentrate his time on the golf course while we wait for Nicola Sturgeon’s coronation before getting back to work?

The First Minister: I will respond on those two specific points. The 92.9 per cent performance figure, which we are not complacent about, which is why we are working to bring it up to 95 per cent and beyond, compares with 84.5 per cent, which was the figure for the last quarter when the Labour Party was in office.

Johann Lamont seems surprised and perplexed that I should mention that. I merely say—quite rightly in my view—to the Labour Party and the Opposition in general that while the 92.9 per cent achievement of the target is not good enough, it seems relevant to point out that the figure was 84.5 per cent when Labour left office. Of course,

the health minister of the day hailed the cancer and accident and emergency target performances as great achievements of the Labour Party in office. If 84.5 per cent was a great achievement, how come 92.9 per cent is totally inadequate? We work to improve the figures all the time.

The real-terms budget of the front-line NHS will continue to increase. That is not a commitment that was made by the Labour Party in opposition, never mind when it was in government in 2007. It is also not a commitment that has been redeemed by the Labour Party in office in Wales, which is facing the same political and economic pressures from the Westminster Government.

Let me repeat: Scotland’s national health service real-terms budget will continue to increase on the front line.

Johann Lamont: If anyone is “surprised and perplexed”, it will be the people across this country and the staff and the patients who listened to that answer and wonder whether the First Minister ever understands what is going on in the real world. His own leaked papers say:

“There is collective agreement from the leadership across all the professional management and clinical groups that planning for immediate transformational change is necessary and difficult; but radical and urgent decisions need to be made ... The status quo and preservation of existing models of care are no longer an option given the pressing challenges we face.”

Let me recap: “immediate”, “necessary”, “urgent” and “pressing”—those are not my words but those of the people running our NHS. After two years of dismissing the problems in our health service, how long must the people of Scotland wait before the Government accepts the scale of the challenge and gets round to fixing our NHS?

The First Minister: Let us look at the pressures on the national health service. There is the revaluation of pensions through a Westminster Government decision; there is the withdrawal of the national insurance rebate, which is another Westminster Government decision; and there are staff costs identified as a pressure. What are the staff costs that are particular to the Scottish national health service? It was our decision to increase the pay of nurses and other staff—that pay increase was not reflected south of the border, where strike action is faced as a result of the betrayal of national health service staff. All that indicates to me and, I suspect, to the people of Scotland, that, in order to protect and preserve our national health service, we have to control its finances, not just the administration.

The pressures—and there are pressures—on our health service are coming as a consequence of Westminster Government decisions, which is why it makes the Labour Party’s incredible decision to campaign hand in glove and shoulder

to shoulder with the Conservative Party something that it will pay a heavy price for in the coming weeks and months.

Johann Lamont: Scotland's doctors and NHS managers agree that we need action to fix an NHS that was described by the BMA as a "car crash". For two years, Scotland has been on pause while Alex Salmond fought his referendum. Now he has gone part time and there is no programme for government.

What we see here is a rerunning of the referendum argument, with the First Minister blaming Westminster rather than taking responsibility and running the country. We deserve better from the First Minister of Scotland than simply that response. There can be no doubt that our health service will come under even further pressure this winter and action is needed. When will the Government get back to work and fix our NHS?

The First Minister: The national health service budget has risen by 3 per cent in real terms over the Government's term of office—an increase in the front-line budget over and above inflation. In Wales, the national health service budget has fallen 3.6 per cent in real terms under a Labour Administration.

Neil Findlay (Lothian) (Lab): This is Scotland.

The Presiding Officer: Mr Findlay!

The First Minister: Johann Lamont seems to shrug away the many indications that the Labour Party's decision to campaign shoulder to shoulder with the Conservative Party will cost it dear. The BBC says that

"It was right to join Tories"

according to Johann Lamont. Unfortunately for her, that is not the view of Labour Party supporters in Scotland—or should I say former Labour Party supporters? I have just been handed the indications from the latest Panelbase poll, to be released today. [*Interruption.*] Well, I will not read out the whole thing for Alex Johnstone's benefit, because it is very bad news for the Conservative Party as well. However, there is a 15-point lead for the Scottish National Party, which is ahead at Westminster.

Modesty forbids me from mentioning the trust ratings for the various political leaders—mine in particular—but let me say that all of the unionist party coalition are negative on trust. That does not surprise me. Nicola Sturgeon emerges with glowing trust ratings, and I am sure that she will take up the cudgels in the future.

Prime Minister (Meetings)

2. Ruth Davidson (Glasgow) (Con): To ask the First Minister when he will next meet the Prime Minister. (S4F-02304)

The First Minister (Alex Salmond): No plans in the near future.

Ruth Davidson: Yesterday, the Prime Minister promised to protect health spending for the next five years—a promise that was similar to the one that he gave before the 2010 general election. Alex Salmond made the same promise a year later, saying that every penny of extra health spending down south would be passed to Scotland's national health service. Here is the difference: the Prime Minister kept his promise but the First Minister broke his. We know that because the independent Institute for Fiscal Studies crunched the numbers.

The Cabinet Secretary for Health and Wellbeing (Alex Neil): It was wrong.

The Presiding Officer: Order.

Ruth Davidson: Health spending by the United Kingdom Government is up 4.4 per cent and health spending by the Scottish Government is down 1.2 per cent. Alex Salmond has broken his health promises in the past, so what can he do today to assure the people of Scotland that our NHS will not lose out in the next five years, as it has done in the past five?

The First Minister: National health service spending in Scotland has increased in real terms and every single penny of consequential has been put into the front-line national health service budget in Scotland.

The reason for the figure in the IFS report is that it included sport; it included the Commonwealth games expenditure. As Ruth Davidson might remember, the Commonwealth games was a big spend, but the health service and sport—although the effects that they can have are interrelated—are hardly the same thing.

Every single penny of health service consequential has been invested in the health service in Scotland. Unfortunately, of course, we now find pressures coming through the back door from Westminster on pensions and national insurance, which the Prime Minister forgot to mention in his speech. Perhaps 500,000 national health service staff in England are going on strike as a result of the Prime Minister's and Ruth Davidson's lack of care for health service staff.

Ruth Davidson: I thought that the First Minister might say that, which is why—[*Laughter.*] It is why we phoned the IFS this morning and spoke to the report's author, who not only stands by the figure, but told us that he spoke to the SNP to explain

why the IFS was right and the Government's frantic spin about sport was way off the mark. I will read from correspondence with the IFS:

"This sub-portfolio covers health only and does not include things such as sport, the Commonwealth Games etc, which are separate sub-portfolios."

That matters because, if the Scottish Government had done what it said it would do and matched UK health funding, our NHS would have received £700 million more. That is £700 million that the Scottish Government promised to spend on doctors, nurses, cancer care and accident and emergency services but which it instead funnelled somewhere else. That is £700 million that was promised but never delivered.

That is serious and it is probably why the Cabinet Secretary for Health and Wellbeing stood up last week—the First Minister has repeated it this week—and cynically tried to rubbish the IFS's work. Here is the problem: Alex Neil and now Alex Salmond made that claim in the full knowledge that it was wrong. I am happy to release the email that shows it.

The smaller question is why the health secretary and now the First Minister have misled Parliament, but the bigger one is why the Government did not give the health service £700 million that it promised.

The First Minister: If Ruth Davidson knew the answer, she should not have repeated the misinformation.

The front-line health service budget in Scotland has gone up by 3.2 per cent in real terms. Given the 7 per cent decline in the Scottish Government's budget, how on earth would that have been possible unless every pound of consequential had been passed on to the health service in Scotland? How would it have been possible for us to have made improvements across the range of targets in the health service over our period in office? How would it be possible for us to have more staff in the health service? Above all, how has it been possible for us to ensure, under these straitened circumstances, that national health service staff in Scotland are at work and not on strike, as they are south of the border?

If I was Ruth Davidson, the figures that I would be looking at very carefully are the 9,120 families who will be affected by the child benefit cuts in the single constituency in Scotland that the Tories hold at Westminster, or the 5,600 families who will be affected by the extraordinary decision to reduce the amount that is paid to the working poor in Scotland—people who work for a living, who are to be cheated by the Conservative Party. Those are the people whom Ruth Davidson should be worried about.

Cabinet (Meetings)

3. Willie Rennie (Mid Scotland and Fife) (LD): To ask the First Minister what issues will be discussed at the next meeting of the Cabinet. (S4F-02301)

The First Minister (Alex Salmond): Issues of importance to the people of Scotland.

Willie Rennie: When the First Minister goes, will he please take Kenny MacAskill with him?

The First Minister: No.

Willie Rennie: Surely the First Minister has had enough of defending the Cabinet Secretary for Justice. The First Minister said that he was comfortable with the policy on stop and search of children just before it was abandoned, he rallied to Kenny MacAskill's defence on the abolition of corroboration before that was put on hold, and he stood on the very spot that he is on now lecturing me that it was for public safety reasons that the police were armed routinely. Now that has gone, too. Meanwhile, Kenny MacAskill shrugs with casual indifference, as if justice is nothing to do with him. He is more trouble than he is worth.

Now that the referendum is over, and to save his successor the bother, will the First Minister please just take Kenny MacAskill with him?

The First Minister: I am sorry that if, over the years, Willie Rennie believes that I have been lecturing him. A lecture depends not just on there being a willing teacher, but on there being a willing pupil. Therefore, I have never tried to lecture him too much.

I will give just one of the many reasons why I will not do what Willie Rennie suggests. As was said by Graeme Pearson on the radio this morning—so it must be correct—crime in Scotland is at a 39-year low. That is why the justice secretary is on a high.

Welfare Reform

4. Kevin Stewart (Aberdeen Central) (SNP): To ask the First Minister what action the Scottish Government is taking to support people affected by United Kingdom Government welfare reforms. (S4F-02311)

The First Minister (Alex Salmond): We are taking a range of actions to mitigate the impact of UK Government welfare reform. We are providing £260 million over the period 2013-14 to 2015-16 to help those who are most affected. We and our local government partners have committed a total of £40 million in 2013-14 and 2014-15 to fill the gap in funding from the UK Government for council tax benefit successor arrangements, thereby ensuring that more than 537,000

vulnerable people in Scotland have been protected from increased council tax liability.

We have established the new Scottish welfare fund, which we are funding with £33 million a year, to replace discretionary elements of the social fund, and we have provided £7 million for welfare reform mitigation, such as advice and support services, in each of the three years from 2013-14.

We will continue to do what we can within the powers that we have to help those who are most affected by cuts and changes that are being imposed by the Westminster Government. Perhaps the better solution would be to bring the relevant powers under the control of this Parliament.

Kevin Stewart: The Deputy First Minister has written to the Prime Minister calling on him to delay the implementation of universal credit in Scotland until the Smith commission has reached its conclusions on welfare, which is a position that I think that all parties in the Parliament could and should support. Does the First Minister agree that this Parliament should have the powers that it needs to make Scotland a fairer country, including welfare powers?

The First Minister: As the Deputy First Minister made clear in her letter to the Prime Minister yesterday, the roll-out of universal credit undermines the unionist parties' vow to devolve further welfare powers, which is made more urgent by the Tories' continuing attack on welfare, which their colleagues in the Labour Party now seem to support.

In that context, and given that vows are meant to be kept, we can surely look forward to unanimous support in the chamber for the Deputy First Minister's letter and request to the Prime Minister.

Jackie Baillie (Dumbarton) (Lab): The First Minister will recall the joint approach that Labour and the Scottish Government took in the previous budget round to ensure that the bedroom tax was fully mitigated this year. However, some people are being pursued for arrears from the previous financial year. Will the First Minister make it clear today that local authorities are allowed to use their current funding from the Scottish Government to clear bedroom tax arrears for 2013-14?

The First Minister: John Swinney will address that very point in his budget statement next week, so I shall let him do so. I am sure that we will stand shoulder to shoulder with Jackie Baillie on the issues, and I am sure that, once she realises the benefits of that approach, she will also realise the inescapable logic of the argument that this Parliament not only could but should control welfare, so that we can provide the same protection for the people of Scotland, in particular

the poorest people, on a range of other issues as we provide on the bedroom tax. Would it not be much simpler if we had those powers in our hands?

Armed Police (Convention of Scottish Local Authorities Position)

5. Graeme Pearson (South Scotland) (Lab): To ask the First Minister what the Scottish Government's response is to COSLA's agreement to oppose the policy of allowing police officers to carry guns while carrying out routine duties. (S4F-02309)

The First Minister (Alex Salmond): I am of course aware of the position of the Convention of Scottish Local Authorities, which was reported following its meeting at the end of last week. Police Scotland announced yesterday that it has reviewed the current position, taking into account current risk and threat, and balancing that with the recent concerns that politicians and the public have expressed, and has decided that the standing authority to carry firearms should remain in place for a small number of officers: 275 out of 17,318 officers.

However, the chief constable has also stated that firearms officers will now be deployed only to firearms incidents or where there is a threat to life.

Graeme Pearson: Given the months of controversy, does the First Minister now accept public concerns on the matter? Does he agree that Parliament was promised a strong Scottish Police Authority that exercises diligence in holding the chief constable to account through governance, accountability and transparency, and that the authority should have examined the policy options to identify the best way forward on the matter before any decision was taken?

Does the First Minister also agree that, in the absence of such action, the Cabinet Secretary for Justice should have called on the authority members to take steps at a much earlier stage to allay justified public concerns?

The First Minister: Actually, I think that the process shows a police service that is responsive to political and public concern, which should be applauded and complimented.

I agree with a great deal of what Graeme Pearson says on these issues, but I have trouble reconciling what he says now with what he said in his previous existence as head of the then Scottish Drug Enforcement Agency. That is quite relevant, because there is a lot of common sense in what he said as head of the SDEA: that he wanted a standing authority for his officers—almost 200 officers in Scotland—to carry firearms. I will read the exact quote. He said:

"In the dead of night when we are dealing with those that we identify as the most serious criminals in Scotland, and sometimes in Europe, we could have an emergency situation where firearms predictably become an issue ... I think that my officers have the right to be protected and also have a duty to protect the public."

I agree with that point, but I sometimes find it difficult to reconcile the common sense of Graeme Pearson's argument back in 2005 with some of the stuff that his colleagues have come out with in recent weeks.

Graeme Pearson: In fairness, the First Minister must acknowledge that there is a great deal of difference between the threat that is presented in dealing with organised criminals who have previously been involved with firearms and are suspected of murder, and the threat to an officer who is wandering the main streets of our town. *[Interruption.]*

The Presiding Officer: Order.

The First Minister: Yes, and that is why I accept and see the logic of the point that was made in 2005. *[Interruption.]*

The Presiding Officer: Order.

The First Minister: Let me repeat: there are 200 of those officers in Scotland. There are only 275 in total with standing authority. What Graeme Pearson has to reconcile is how that number of 275 is compatible with 200 officers having standing authority for that one specific offence. That is why I think that the logic and credibility of what he said in 2005 are very difficult to reconcile with some of the arguments of his colleagues recently.

Alison McInnes (North East Scotland) (LD): Few of us think that the industrial scale of stop and search or the distinct policy change on armed policing was purely and simply an operational matter, but the chief constable, with the Cabinet Secretary for Justice's tacit approval, has repeatedly relied on those two little words to avoid proper scrutiny. Does the First Minister agree that it is time to codify the scope and reach of the chief constable's operational independence?

The First Minister: No. I think that the process that we have gone through on the issue has been a very good one. *[Interruption.]*

The Presiding Officer: Order.

The First Minister: I think that, when a police service responds to public concern in a constructive way, it should be applauded for doing that, and that the process has come to a conclusion that I hope and believe that people think is satisfactory. Therefore, I think that protecting the chief constable's operational independence and his ability to deploy the resources that he has to best effect to keep the

people of Scotland safe from harm should be strongly protected.

I would have thought that the process vindicates the argument that we have a police service in Scotland that is held in the highest regard and public esteem, and which responds to public concern when it is voiced. What on earth do parliamentarians expect the police service to do if it is not to listen to parliamentary and public concern? That should be applauded and complimented, not treated as some sort of retrospective political argument.

Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP): Does the First Minister agree that buried in this is the most important aspect, which is that 98 per cent of Scotland's police force was unarmed and will, thankfully, remain unarmed?

The First Minister: I always agree with Christine Grahame whenever I have the slightest opportunity to do so. She has made the extraordinarily important point that the 275 officers represent around 2 per cent of the entire complement of Scotland's expanded police service. Just as we should recognise the sense and logic of her point, we should recognise that it puts the matter into perspective, with its satisfactory resolution.

Margaret Mitchell (Central Scotland) (Con): In view of the First Minister's comments about listening, does he support the introduction of a whistleblowers helpline for police officers and staff to ensure that concerns about issues such as the policy on the arming of police, as well as other ethical concerns since the creation of Police Scotland, can be raised safely and confidentially and taken seriously?

The First Minister: I am always interested in constructive suggestions when they come forward, but I repeat that I would have thought that the process indicates that we have a listening police service and a listening chief constable.

It is worth noting that the record numbers of police officers in Scotland are particularly important. There are 17,318 officers across Scotland. If we had followed the same policies that have been pursued in England, of course, that number would have been dramatically diminished. In fact, I saw a figure that suggested that the English police service has lost more officers than the record total that we have in Scotland. It seems to me that morale in the Scottish police service is excellent, because people are carrying forward their duty to protect Scotland and achieving a 39-year low in recorded crime with many of their colleagues standing shoulder to shoulder as opposed to getting their P45s, which is happening in England.

Employment

6. Jim Eadie (Edinburgh Southern) (SNP): To ask the First Minister what steps the Scottish Government is taking to promote and safeguard employment. (S4F-02305)

The First Minister (Alex Salmond): The Government is taking a range of initiatives to create jobs and attract inward investment. The business gateway, Scottish Enterprise and Highlands and Islands Enterprise deliver that range of support to start-up and expanded businesses, and therefore encourage job creation. Regional selective assistance awards provide vital support to help businesses to grow. In the year to 31 March 2014, those offers were worth a total of £52.5 million. They were accepted by 117 businesses for projects that are expected to create or support 6,161 jobs.

We should remember that, despite George Osborne's scaremongering, Scotland was the top-performing area of the United Kingdom outside London for foreign direct investment in 2013.

Jim Eadie: I welcome the thousands of new jobs that have been created through the support of Scottish Enterprise, but does the First Minister agree that the United Kingdom Government must keep to the vow—the solemn pledge that was made during the referendum campaign—and set forth a clear commitment and timetable to bring job-creating powers to the Parliament so that we can maximise opportunities for the businesses and communities of Scotland?

The First Minister: Yes, I agree. I am interested in vows and guarantees. Many people in Scotland do not believe that it should take an online petition to guarantee something that was guaranteed two weeks ago. People who stand surety for such guarantees risk their personal reputation. People should never put themselves into a Tory trap. That trap is not about job creation or income tax; it is about standing shoulder to shoulder with the Tories in a referendum campaign without having any control of the consequences.

The Presiding Officer: That ends First Minister's question time.

Ken Macintosh (Eastwood) (Lab): On a point of order, Presiding Officer. From your comments earlier, I suspect that you share my concern that the use of First Minister's question time to make a parliamentary statement without giving members from any party the opportunity to question the Government is an abuse of parliamentary time and disrespectful to all members. Last week, we had the odd spectacle of the First Minister opening a debate with a parliamentary statement—that is, a speech delivered without interruption—and then

being allowed to close the debate that afternoon, despite its being a two-day debate.

Presiding Officer, I know that you share my desire to build on the democratic renewal that we have seen in Scotland. It is not power used or wielded by the Government of the day that protects democracy but the accountability that is exercised by the Parliament. I am sure that you will remember, as I do, a time when Scottish National Party front benchers were among the most vocal in holding the Government of the day accountable to the Parliament of the day. Do you agree that, if we respect democracy, the procedures of the Parliament need to be protected and not treated as a plaything by those with power, privilege or position?

The Presiding Officer: Thank you, Mr Macintosh. I think that I made perfectly clear my views on the announcement that was made at the beginning of First Minister's question time. In relation to the debate last week, its format was agreed by the business managers in the Parliamentary Bureau.

Universal Postal Service (Competition)

The Deputy Presiding Officer (Elaine Smith):

The next item of business is a members' business debate on motion S4M-10547, in the name of Hugh Henry, on end-to-end competition and the universal postal service. The debate will be concluded without any questions being put.

Motion debated,

That the Parliament notes with concern the expansion of end-to-end postal services by TNT Post UK in major UK cities; considers that the sustainability of the universal postal service depends on Royal Mail being able to use revenue from easier to serve, densely populated areas to cover the cost of a nationwide network; is concerned that the cherry-picking of urban and suburban areas by TNT Post UK could have a serious impact on the financial sustainability of the one-price-goes-anywhere, six-days-a-week universal postal service; expresses its support for the universal service that many people in Renfrewshire South and across Scotland, including rural communities and small businesses, rely on, and notes calls for Ofcom to undertake a full review of end-to-end postal competition as a matter of urgency and determine quickly any regulatory changes needed to protect the universal postal service.

12:34

Hugh Henry (Renfrewshire South) (Lab): The Royal Mail is truly a British institution that has embedded itself in British society and culture. It is one of the institutions that everyone loves. Sure, there will be times when we moan about late delivery, lost mail or the price of postage, but all of us, whether private individuals or businesses the length and breadth of Britain, have come to value its services.

We have always supported the standards that are imposed on our behalf on Royal Mail. Woe betide the politician who threatens to end the universal service obligation, which requires Royal Mail to deliver a letter anywhere in Britain for the same standard price and to do so six days per week. That is 29 million addresses that Royal Mail is required to serve.

The obligation is particularly important here in Scotland, given our geography and widely spread small communities. To some extent we take for granted the fact that, for example, my constituents can post a letter from Linwood to London or from Barrhead to Bristol for the same cost as posting a letter from Linwood to Barrhead. That benefit is even more valuable for people who live in Orkney, Shetland or the Western Isles.

We also take for granted the logistics and effort that are involved in next-day delivery for first-class mail and two-to-three-day delivery for second-class mail. It is not just householders who value the delivery of mail six days per week; it is an

important service for businesses all over the country.

Stop to think for a moment about the economics of all this. It clearly makes no economic sense to charge the same price to post from Linwood to London as to post from Linwood to Barrhead, but it makes sense if we look at it as a social obligation that contributes to our quality of life and our sense of wellbeing. Of course, it does not take long to work out that the risks and costs of sending and receiving mail are spread over customers large and small all over the country. If it were left to an open market, Scotland would suffer.

It is important to remember that the Royal Mail relies not just on investment and organisation, but on tens of thousands of dedicated staff who take great pride in ensuring that our mail is delivered efficiently and economically. Many of those staff are out and about at the crack of dawn in all sorts of weather; in hail, rain or shine—that is just the summer—or, in the Scottish winters, in ice and snow, they make sure that we receive our mail.

It is important that those staff are fairly rewarded for their work. Thanks to the efforts of the Communications Workers Union, the pay, terms and conditions of staff have improved over the years. It has not always been easy, because the union has faced challenges about new technology and new working practices. However, what the CWU has achieved on pay, pensions, health and safety—which is important—and general conditions at work is the envy of many workers who do not have the protection of a strong campaigning trade union. The workforce and trade union have adapted to modern demands, but have never lost sight of fundamental values and purpose.

At the heart of the service that we know and value is the universal service obligation that I mentioned earlier. The Royal Mail has fulfilled its obligations by introducing new technology and working methods to cope with the challenge of increased competition. It has also done so by being able to cross-subsidise the costs of low-volume, high-distance uneconomic mail with the profits that are made from the high-volume profitable business and short-distance mail.

All that is under threat from the encroachment of TNT Post UK, or Whistl—without an “e”—as it is bizarrely branded. It beggars belief that some marketing agency somewhere will have been paid a fortune to come up with that, but forget the name: it is what they are doing that is the problem. Royal Mail and its staff are not complaining about competition. They have had to adapt and rise to the challenge, even though the challenge has not always been fair. Not only is what is now being done unfair in the extreme, but it brings dangers

that threaten the very existence of the service that we all know and cherish.

The onward march of TNT/Whistl started off in London. It has steadily moved across the country and will shortly be operating in Edinburgh and Glasgow. It would not be so bad if legally Whistl had to provide the same standard of service as Royal Mail. However, Whistl has no interest in developing services in hard-to-reach, high-cost areas. Whistl will not have to bother with the cost of sending mail from London to the Western Isles, Orkney or Shetland. Whistl will not have to deliver mail six days per week. It can pick and choose the days on which it delivers, and by cherry picking the high-volume, low-cost, more profitable areas, Whistl will deprive Royal Mail of the revenues it needs to deliver to those remote areas, six days a week. Those are areas that Whistl will ignore.

That is not the only unfairness. The hard-won wages and conditions of Royal Mail staff are not available to Whistl employees. Until recently, Whistl operated zero-hours contracts, with pay below the living wage—no wonder its operations have a high staff turnover. By driving down wages and conditions, Whistl hopes to undercut Royal Mail in more lucrative markets, thereby denying Royal Mail the revenues that are needed to sustain the universal service obligation to provide a standard price six-day service. It will also deprive the Royal Mail of the revenue that it needs to sustain the wages and conditions that the CWU won for its members. The workers who work in mail delivery deserve decent pay and conditions and Whistl should not be allowed to undermine that.

When we talk about competition, we are talking about neither fair competition nor a level playing field. Whistl will not have to deliver six days per week, it will not have to collect from postboxes, there will be no redirection service and, of course, it will not have to bother with the cost of delivering mail to remote communities across Scotland.

This is the biggest threat we have ever seen to the postal service as we know it, and we need to take a stand. The Scottish Government and its agencies, councils and other public sector bodies need to consider carefully the implications of giving contracts to Whistl. Above all, the Scottish Government and the others I have mentioned, along with this Parliament, need to make it clear to the Office of Communications that action is needed to protect the Royal Mail. Ofcom needs to set aside its complacency and waken up to Whistl's threat to the universal service obligation, it needs to undertake an urgent and full review of end-to-end postal competition, and it needs to consider regulatory changes to protect the universal postal system.

The British public will not thank us if we sit quietly and watch the salami slicing and destruction of our much valued postal service. It is time to tell TNT to go whistle—with an “e”.

The Deputy Presiding Officer: Thank you very much. We now turn to the open debate, and I ask for four-minute speeches.

12:41

Kenneth Gibson (Cunninghame North) (SNP): I congratulate my co-convener of the cross-party group on postal services, Hugh Henry, on securing the debate and bringing this important matter to the chamber. I also thank the CWU for its briefing.

There is a growing threat from businesses such as Whistl—formerly TNT Post UK—to Royal Mail's postal services and the universal service obligation, specifically for poor and rural areas. For decades, we have enjoyed Royal Mail's one-price-goes-anywhere, six-days-a-week postal service. The flat-rate universal service was economically possible because profits from wealthier and more densely populated areas helped to compensate for the costs of servicing poorer and more remote areas. That balance of working across the country is vital for the system to work and for everyone to have equal access to a high-quality, low-cost, six-days-a-week postal service.

In October 2011, Westminster passed the Postal Services Act 2011, which enabled the United Kingdom Government to sell shares in Royal Mail. That led to Royal Mail's privatisation and opened it up to greater competition. Whistl, which is not beholden to the universal service obligation, utilised that unfair advantage and, in effect, undermined Royal Mail's ability to do its job.

Whistl began its rival service in April 2012 in west London. Using downstream access competition, it collected and sorted mail from businesses before handing it to Royal Mail to deliver the final mile. Since 2013, it has expanded its business into delivery and has established an end-to-end postal service in direct competition with Royal Mail, and it now delivers three days a week to 1.2 million of Britain's 29 million addresses through 23 delivery units. With a new co-investor to support its expansion to additional parts of the UK, the firm has expanded to north-west and south-west London, parts of central London, Manchester and Liverpool. As Hugh Henry has pointed out, it will soon be starting its service in Glasgow and Edinburgh.

Complaints are being made about the poor quality of Whistl's services; indeed, in July, the London Assembly passed a motion calling for a review of its end-to-end services. Labour Party

Assembly member Murad Qureshi, who proposed the motion, commented:

“Delivery companies ... repeatedly provide poor service and cherry-pick the most lucrative areas to deliver post, undermine the quality of universal postal services in the capital and”

raise

“questions of the standard of a privatised postal delivery service.”

He added:

“The increasing number of poor postal service cases, rising costs of delivery and unfair competition in the market has emphasised the need for government to bring the national postal service back into public ownership.”

At less than 0.4 per cent of the addressed mail market, Whistl's delivery volumes remain small compared to those of Royal Mail. However, Royal Mail makes a strong case for such companies to be exposed to the same universal postal service obligation; after all, although Whistl is smaller in scope, its delivery rounds are in the most profitable areas.

Because they are not held to the same standard of service, companies such as Whistl are able to pick and choose the areas that they want to collect from and deliver to, so naturally they consume the profits that are generated from more densely populated regions, which damages the universal postal service's financial sustainability.

Scotland, with its fair share of rural towns and small businesses, is especially vulnerable to the problem of compromised postal services due to the unfair competitive practices that result from privatisation. Much of my constituency comprises small towns and rural and island areas, which are more difficult to access and therefore more costly to collect from and deliver to.

However, although the problem would have a concentrated effect in many areas in Scotland, it is not just a localised concern. It is clear that Whistl is not prepared to offer staff the same terms and conditions as Royal Mail offers. There are low wages and zero-hours contracts. Whistl's growth can only cost the jobs of Royal Mail workers and ensure a steady decline in Royal Mail employment and, ultimately, in the viability of the entire postal service, as the service inevitably looks to cut costs even more sharply in order to compete.

Last week, members of Parliament agreed to launch an inquiry into competition in the postal industry, to examine the universal service obligation and the unfair advantages that rival businesses have as they attempt to build direct delivery services.

Ofcom has committed to review the direct delivery market by the end of next year. However, in the light of the immediacy of the problem and

the rate at which companies such as Whistl are expanding, and the negative impact on revenues to the universal service, I ask the Scottish Government to join in urging Ofcom to accelerate its timetable and to determine as soon as possible whether there is a need for regulatory changes, such as the freezing of end-to-end competition at its current level, in order to ensure that high-quality postal services are maintained and protected for every home in Scotland and throughout the UK.

12:46

Gavin Brown (Lothian) (Con): I congratulate Hugh Henry on securing the debate and I thank all the organisations that submitted briefings to members in advance of the debate.

There are a number of areas on which I agree with Hugh Henry and there are a number on which I disagree with him, but ultimately I support his call for an urgent review. A case has been made for having a review sooner rather than later.

Hugh Henry rightly pointed out just how vital the universal service obligation is to all parts of the UK. It is a fundamental part of our economy and our society, on which people, families and businesses up and down the country rely. I do not think that any politician or political party would want to lose it, in any way. There is a UK Government commitment to it; there is also far broader and wider political commitment to it. It is right that there is a statutory duty to provide a universal six-days-a-week service, at uniform prices. I would be concerned by anything that could be proved to be putting that service at risk.

I disagree slightly with Hugh Henry—given what I think he was driving at—in that I do not see competition in itself as something of which we should be afraid or against which we need to push. There can be benefits to competition, although of course there are risks, too.

Hugh Henry: I think that I made the point that both the Royal Mail and the CWU have accepted and faced up to competition over the years. The complaint is about not competition, but about unfair competition.

Gavin Brown: That is a fair point. I just thought that Mr Henry's remarks, particularly at the end of his speech, suggested that he was against competition, full stop. He might not be.

Competition can bring benefits. It can strengthen incentives on Royal Mail to improve efficiency and reduce costs, and it can benefit customers, through increased innovation and value-added services. However, when there are risks, and when a case is seriously made in that regard, as I think it has been, we must consider the issue carefully.

As Vince Cable pointed out some months ago:

“Ofcom’s primary duty is to secure the provision of the universal service. It also has duties to promote competition where that benefits consumers.”

He went on to say:

“should the two duties be in conflict, the universal service takes precedence.”—[*Official Report, House of Commons*, 10 July 2013; Vol 566, c 362.]

What we need is as clear as possible an analysis of how the current situation poses a risk to the universal service, to what extent it does so, and why that is the case. The Royal Mail formally requested a review from Ofcom in July and August this year, but although meetings have taken place I have been unable to find, and am unaware of, any official public response from Ofcom to the request.

One of the documents that were put before MSPs in advance of the debate came from the Community union, which is aligned with Whistl. The Community union stated that in August of this year, it too wrote to Ofcom

“calling for an early review of the USO on the grounds that such a review would clarify the future of the sector for workers, businesses and the general public.”

To some extent, I end up in the same place as Hugh Henry. I think that an official response is required. The review that is being sought should be given serious consideration and anything that could jeopardise the USO concerns me greatly. As a consequence, Ofcom ought to think about bringing the review forward. It is meant to begin by the end of next year; the evidence that I have seen so far suggests that it ought to happen far sooner than that.

12:51

Jenny Marra (North East Scotland) (Lab): I thank my colleague Hugh Henry and congratulate him on bringing this important debate to the chamber. I echo colleagues’ unstinting support for the universal service obligation. It is still, in our country, a delight and a cherished wonder that someone can pop a first-class stamp on a postcard in Ullapool and be confident that it will arrive in the thronging metropolis of London the very next morning, to be read over breakfast. Indeed, just this morning, I went to the post office to replenish the book of first-class stamps in my purse, and who knows where on these islands I will use those stamps and for what purpose?

Reflecting today on the wonder of the service, none of us can be in any doubt that it is one of the many important and emotional ties that bind us to the UK. It is an emotional and practical arrangement that is backed up by legislation at UK and European Union levels. Competition has become mandatory in postal services as a result

of the EU postal services directive, which was transposed into UK law by the Labour Government. There was and is no opt-out from the directive as long as we are a member of the EU.

I think that all members across the chamber support our membership of the EU, so the challenge becomes one of finely balancing competition arrangements to protect and strengthen the USO while maintaining the quality of jobs across different employers in the sector. To that end, our trade unions—the Communication Workers Union, representing Royal Mail workers, representatives of whom are in the public gallery, and Community, representing Whistl workers—are doing a fine job of working with employers to enhance training and support the modernisation of working practices in the sector while securing an agreement to end Whistl workers’ zero-hours contracts, as well as securing pay increases and improvements in health and safety. Those are measures that workers across all postal services providers will support, I am sure, in order to maintain standards across their industry.

The job of finely balancing and making fair the competition arrangements in the UK falls to Ofcom, as Hugh Henry pointed out. I welcome and support his call for a review of competition in end-to-end postal services to determine the regulatory changes that are needed to protect the USO.

An arrangement as precious and fundamental as the USO needs to be constantly scrutinised so that we can strengthen, improve and sustain it in a constantly evolving postal market and so that standards in the industry for all workers can be maintained and strengthened by the arrangements that are put in place.

The industry has faced a marked decline in letter delivery, as online billing and emails are cheaper for consumers and for business, so we have to be innovative, within the rules of the EU postal services directive, if we are to strengthen and maintain the USO far into the future.

Royal Mail, as the legally designated provider of the USO, must be allowed a fair playing field in which to deliver its obligation and maintain standards in its practices. That is absolutely necessary and fair.

I understand that a review is scheduled to take place in 2015. However, if it is necessary to bring that forward, Ofcom should heed the call to do so. As Hugh Henry said, we must ensure that there is no unfair competition and that we finely balance the competition rules.

12:55

Liam McArthur (Orkney Islands) (LD): I, too, congratulate Hugh Henry on securing this debate.

Hugh Henry and Jenny Marra have rightly set the context of the special place that Royal Mail has in the affections of people across the UK. After two minutes of Hugh Henry's speech, I thought that he was going to break the all-time record for references to Britain in a speech in the Scottish Parliament. However, that reflects the importance of Royal Mail to all our constituents. Hugh Henry was also fair to acknowledge the particular significance that the universal service obligation has for constituents, such as those whom I represent, in the islands and in rural areas—and not just individuals in households but small businesses. If I have time I will perhaps touch on the related issue of high delivery charges, which is a touchstone issue for my constituents.

The motion outlines very fairly the concerns that quite demonstrably exist, and the proposals are reasonable. As Kenny Gibson and Gavin Brown indicated, a review is planned for the end of next year. However, given what we are seeing in the development of the market and the aspirations of Whistl and possibly others, there is now a pretty compelling case for accelerating that review. That view seems to be shared by Community, whose briefing was very helpful, although I disagree with some aspects of it.

I think that there is now evidence of direct delivery competition putting a strain on Royal Mail's ability to honour the universal service obligation. Whistl argues that the agreements are subject to negotiations with the Royal Mail on the basis of cost, but I do not think that those costs reflect the costs of delivering to places such as Orkney and other rural communities across the UK. In addition, and as Hugh Henry indicated, Whistl is not bound by the requirements that Royal Mail is bound by as the universal service provider.

The universal service obligation is critically important as a principle in spreading and socialising costs across customers throughout the UK. However, it is more than just a principle for people in Orkney and other rural areas. For small businesses in my constituency, for example, it is vital and often leads to the levelling of the playing field in relation to competition from businesses in other parts of the country.

The issue goes beyond businesses. The recent Citizens Advice Scotland report on delivery charges highlighted the extent of the problem in that area. A third of the respondents from Orkney said that they had been subject to surcharges for goods sent to Orkney and a quarter found that some businesses refuse to deliver to Orkney at all—I think that the same applies to many other parts of the Highlands and Islands. I have taken up that issue with a number of the companies concerned and, to be fair, when confronted with

the evidence, some are prepared to review their charging policies and delivery charges. Some have removed the delivery surcharges entirely and others will often reduce them, but some will just be more up-front about the costs at the outset. However, in too many cases there is still an unwillingness to look at alternatives.

That issue is distinct from that of the universal service obligation and the concerns that Hugh Henry highlighted in his motion, but I think that it is related. We need to avoid a similar situation emerging in the letters market.

Royal Mail has adapted to the challenges that it faces in terms of new technology, competition and even affordability of pensions. However, we cannot expect it to continue to do so while requiring it to undertake that fight with one hand tied behind its back.

I again congratulate Hugh Henry on bringing the debate to Parliament. The call for an urgent review by Ofcom is an entirely reasonable one that appears to be garnering support across the political spectrum and within the industry itself. I hope to see some progress made on that in the months ahead.

12:59

Margaret McCulloch (Central Scotland) (Lab): I welcome the opportunity to speak in this debate on our postal services, which are changing, which are now exposed to new competitive pressures and which are absolutely vital to businesses and communities the length and breadth of Scotland.

I congratulate Hugh Henry on bringing the motion to the chamber. He does so at a time when the future of postal services across the UK, including the preservation of the universal service obligation, is extremely topical. We have now learned that the Business, Innovation and Skills Select Committee has launched an inquiry into the sustainability of the universal service obligation, and we know that it has been a whole year since the botched privatisation of Royal Mail. The sale of Royal Mail was opposed by two thirds of the British public, and the National Audit Office has confirmed that the Government's valuation of Royal Mail was "too cautious". According to the select committee, the huge undervaluing of Royal Mail has cost taxpayers well over £1 billion.

The Communication Workers Union believes that even more consequences arise from the Royal Mail sell-off than the Government is prepared to admit. I will set out what I believe those consequences might be and explain why I believe that there is a need for swift action to guarantee a good, fair, affordable service for

people and businesses at all 29 million UK addresses.

First, as expected, the privatisation of Royal Mail has led to competition for end-to-end services, but workers in the sector and those who depend on the services need to be sure that competition in the market is fair. The market share of a company such as TNT Post—or Whistl, as it is now known—might be small, but it is growing. Whereas Royal Mail must provide services in both profitable and non-profitable routes—services that are cross-subsidised—other operators can deliver services that are focused on specific routes.

Some people, although not everyone, would say that that effectively leads to cherry picking of the best routes and undermines Royal Mail's capacity to deliver universally. Whether or not there is evidence of cherry picking, there is clearly a need for the regulator to step in and give clarity to those who work in Royal Mail, to Whistl, to customers and to the trade unions—both the CWU, which organises in Royal Mail, and Community, which organises in TNT.

Royal Mail's chief executive, Moya Greene, is on the record as saying that the business model of new operators is

“striking at the economics of the universal service obligation.”

When Royal Mail was being sold off, we were told that the universal service obligation would remain. We were told that one stamp would still go anywhere, six days a week and at a price that is affordable to consumers and small businesses. The universal service obligation, which is up for review next year, must be sustained.

Ofcom must also exercise its power as the regulator to ensure that competition in this new market is fair for all. There is a statutory requirement on Ofcom to safeguard the universal postal service and so it must bring forward an immediate review of end-to-end competition.

Now that Royal Mail has been privatised, there must be a concerted effort from Government and from regulators to ensure that the universal service obligation remains intact. The message from this Parliament today must be that our postal services are essential, so the new market that is emerging must be fair and must work for consumers, for workers and for businesses across the country.

13:03

The Minister for Local Government and Planning (Derek Mackay): Members will be aware that I am not the lead minister for this subject, but I know that Fergus Ewing, who

apologises for not being able to make the debate, takes a particular interest in it.

The debate has been largely consensual. I am slightly surprised that the most controversial speech was from Margaret McCulloch—we of course concur with her comments on privatisation and the conduct of the sale of Royal Mail. I will finish with a recommendation that I believe that the Scottish Government can take forward, but I will first focus on the consequences of that sale and the other matters that have been raised.

I, too, congratulate Hugh Henry on securing the debate and ensuring that the issue is raised. We all take the availability of postal services for granted and it is therefore important that those services are scrutinised by Parliament, even if we do not have direct control of them.

As we have heard, postal services are, of course, a vital lifeline for many of Scotland's communities, individuals and businesses, who rely on a prompt and efficient service. The universal service obligation is particularly important to remote and rural communities, as it ensures the uniformity of the cost of deliveries and uplifts throughout the country, irrespective of location. Royal Mail has a statutory obligation to provide that universal service and it is therefore important to ensure that its ability to provide it is maintained.

The debate reflects the widespread concern about Royal Mail's belief that its ability to continue to provide a universal service is under threat. Ofcom has a statutory responsibility in this area; it has the power to regulate postal services, even before the review mechanism is put in place. It must continue to act to ensure that the universal service obligation is safeguarded.

The debate has allowed MSPs from all parties to discuss concerns about the current regulatory regime. On Hugh Henry's key point, this is not necessarily about being against competition—that debate has largely been had—but about the need for a level playing field on which to maintain that safeguarding commitment. Kenny Gibson spoke about equality of service across the country, the impact of privatisation and the nature of cherry picking, on which a number of members picked up.

Several members also raised the idea of a parliamentary review and Ofcom's monitoring regime. Kenny Gibson and Hugh Henry called for us to accelerate that monitoring and all members agreed on an early review of the situation. I suppose that I was particularly surprised and glad to hear Gavin Brown and Liam McArthur also call for that work to be done. We should therefore take it forward.

However, that commitment and duty could be undermined by the reality on the ground. We can

have the commitment and the duty, but if they are undermined by unfair competition, that must be studied.

Liam McArthur: Given that this is a members' business debate, there will not be a vote on the motion. However, I am sure that Ofcom is watching our proceedings with great interest. Perhaps there could be a cross-party approach to Ofcom with the Scottish Government to make the case for accelerating the review. That would reflect the sentiments that we have heard.

Derek Mackay: I am a consensual kind of guy, and although I was going to commit Mr Ewing to writing to the UK Government again, I am more than happy if members want to do that on a cross-party basis. That would add strength to the point that has been made in this members' business debate, and I see no reason not to do it. I was going to commit the Scottish Government to writing to the UK Government in light of the debate, and what Mr McArthur has suggested reinforces the point.

Jenny Marra helpfully covered maintenance of wider standards in postal services and the Royal Mail, and Mr McArthur covered the crucial island and rural perspective.

It is the Scottish Government's position to pursue the matter. Mr Ewing wrote to the UK Government, which, at the time, felt that Ofcom was carrying out its duties effectively. Measures could be taken to challenge that but, as I said, when Mr Ewing wrote earlier this year, the UK Government felt that there was no reason to intervene. However, some of the evidence that we have heard today could inform our response and follow-up to that inquiry and accelerate the monitoring and review, using the experience that we have had and taking into account what the trade unions have said.

Postal services are reserved so the UK Government is responsible, but that does not mean that we should not take action, and we will do so in the way that has been suggested by members across the chamber today. We expect the UK Government and Ofcom to act in the interests of Scotland and our services, and we will take the issue forward in the consensual way that has been suggested. The debate has highlighted our concerns, which must be taken seriously so that we can effectively guarantee the universal service.

I have found the debate very constructive and helpful.

13:10

Meeting suspended.

14:30

On resuming—

Food (Scotland) Bill: Stage 1

The Deputy Presiding Officer (John Scott): Good afternoon, everyone. The first item of business is a debate on motion S4M-11048, in the name of Michael Matheson, on the Food (Scotland) Bill.

The Minister for Public Health (Michael Matheson): I am pleased to open the debate on the general principles of the Food (Scotland) Bill. I thank those who gave evidence, both written and in person, and the Delegated Powers and Law Reform Committee, the Finance Committee and the Health and Sport Committee for their detailed scrutiny of the bill at stage 1. In particular, I welcome the latter's support for the bill's general principles and I have recently responded to its stage 1 report.

The Scottish Government is committed to ensuring that people in Scotland live longer, healthier lives. Making sure that we eat a good, nutritious diet of safe food is vital to achieving that ambition. Food-borne diseases cost Scotland £140 million per year. Most significantly, of the 130,000 consumers who contract food-borne diseases each year, around 2,000 will be hospitalised and around 50 will die.

Bad eating habits are one of the most significant causes of ill health in Scotland and a major factor in obesity. Scotland is positioned near the top of the league tables for obesity in Organisation for Economic Co-operation and Development countries. The public cost of dealing with obesity could rise to £3 billion per year by 2030, so even relatively minor improvements to the safety and standards of food in Scotland will have significant social and economic benefits.

The Food (Scotland) Bill will give Scotland some of the levers that we can use to tackle those issues. First, the bill will create food standards Scotland, which will be Scotland's independent food safety and standards body. We are working to appoint a board and chair of high calibre, with the range of experience and skills required to guide food standards Scotland. We are also in the process of recruiting its first chief executive. Subject to the bill's progress, we aim to identify the chair early this month, identify the chief executive by the end of the month and appoint the remainder of the board to a shadow body by the end of November.

As food standards Scotland will be a non-ministerial body, operating free from ministers' influence, the board and chief executive will need sufficient space to prepare and develop their strategic thinking and build key relationships with partners in time for FSS being up and running in April 2015.

Food standards Scotland's clear objectives, as set out in the bill by ministers and Parliament, will be to develop and help others develop policies on food and animal feedstuffs; advise the Scottish Government, other authorities and the public on food and animal feedstuffs; keep the public and users of animal feedstuffs advised, to help them make informed decisions about food and animal feedstuffs; and monitor the performance of enforcement authorities in enforcing food legislation.

The bill sets out specific duties and associated powers for the new body on acquiring and reviewing information through carrying out observations and inspections, monitoring developments and carrying out, commissioning and co-ordinating research.

The bill will allow the body to set performance standards for enforcement authorities—mainly local authorities—in enforcing food legislation in Scotland.

Once the bill establishes the body, we will constitute it separately by order as a non-ministerial office in the Scottish Administration. As such, food standards Scotland will be fully accountable to the Scottish Parliament and autonomous of the Scottish Government.

Food standards Scotland will take on all the functions that are currently exercised in Scotland by the Scottish division of the United Kingdom-wide Food Standards Agency. For some years now, the remit of that division has been wider than the remit south of the border; in 2010, the UK Government removed responsibility for labelling and nutrition policy from the FSA's English arm, while in Scotland, we maintained the link between those aspects and food safety. The UK decision was subsequently seen as a factor in hindering the UK Government's response to the horsemeat scandal in 2013.

The horsemeat scandal demonstrated the importance of having a single body with clear responsibility for all aspects of food safety and standards. Indeed, it was the UK Government's decision that led us to review the FSA's work in Scotland. In March 2012, Professor Jim Scudamore, a former UK chief veterinary officer, published his report on the issue. His review concluded that food safety should not be divorced from nutrition and labelling; that advice on those subjects should be independent, evidence based

and consumer focused; and that advice on food safety and nutrition should come from a body at arm's length from the Scottish ministers.

Stewart Stevenson (Banffshire and Buchan Coast) (SNP): I am sure that the minister is very well aware of the long series of contributions made by Harry Burns, the former chief medical officer, about the nurturing of the very youngest people in our society. In looking at nutrition, will FSS pay particular attention to helping to ensure that our youngsters, particularly in deprived areas, get the best possible start in life with the best possible food?

Michael Matheson: An important thing that will be achieved with the creation of FSS is that we will have a body that can co-ordinate how we tackle nutrition issues and change people's diets to ensure that their diets and lifestyles are healthier. We cannot achieve that at present because that work is undertaken by a range of agencies. FSS will be able to take a much more co-ordinated approach to issues such as the one highlighted by Stewart Stevenson than is possible at the moment. We took forward the key recommendation in Professor Jim Scudamore's report that we establish a specific food safety body in Scotland, and that has led to the legislation before us today, which creates food standards Scotland.

The bill introduces new food law provisions that are designed to protect and improve public health and other consumer interests by driving up hygiene standards and reducing the incidence of food-borne disease; by providing safeguards against food standards incidents such as the horsemeat food fraud; and by strengthening and simplifying the penalties regime for breaches of food law. Those arrangements will increase consumer and investor confidence and will help make Scotland an even more attractive place for food businesses.

The bill also provides for powers to seize and detain food that does not comply with food information law, and those powers will align food information powers more closely with existing food safety powers. Currently, unsafe food can be seized or detained, and courts must order its destruction. However, there are no such powers for food that is safe but which does not comply with food information requirements. In light of the horsemeat food fraud incidents, the power to seize or detain food that does not meet food information requirements in respect of, for example, labelling will help to eliminate food fraud. Without such a power, a food business might still be able to pass on food that does not comply with food information law.

The bill also creates a statutory offence of failure to report breaches of food information law.

The provision will more closely align food standards requirements with the existing duty to report breaches of food safety legislation. Under the proposed arrangements, it will become an offence for a food business to fail to notify food standards Scotland if it suspects that food that has been placed on the market does not comply with food information law.

The bill provides for the introduction at some point in future, by regulation, of a statutory scheme for the mandatory display by food businesses of hygiene inspection outcomes. The intention is to drive up food hygiene standards and reduce the incidence of food-borne disease. The voluntary food hygiene information scheme is already in place, and almost all local authorities in Scotland have launched it locally.

A similar scheme has been introduced in England and Wales, and a similar scheme is being introduced in Northern Ireland. We will monitor developments in that regard, with a view to creating a statutory scheme in Scotland. For that reason, the food law provisions in the bill give the Scottish ministers the power to introduce a statutory scheme after fuller consultation.

The bill includes provision for the Scottish ministers to regulate animal feeding stuffs and their production, retaining ministers' existing powers under the Food Standards Act 1999, through a delegated power for ministers to use when existing delegated powers might not be sufficient. The existing powers have not been used in the UK since 1999, but we think that they should be retained so that everything possible is in place to guard against feed incidents.

The bill streamlines Scotland's food law enforcement regime by providing for administrative sanctions, so that people who commit offences can be dealt with more quickly and at less cost. The administrative sanctions regime, which consists of compliance notices and fixed penalties, will give enforcement officers more flexibility to deal appropriately with food offences.

The option to use administrative penalties will reduce the burden on the courts and will reduce local authorities' costs in relation to prosecuting through the court system. The approach will give enforcement authorities a wider and more proportionate set of tools from which to choose when they deal with contraventions of food law.

In evidence to the Health and Sport Committee it was suggested that there should be an appeals process for people who are given fixed-penalty notices. We are considering the proposal and we are working closely with stakeholders to develop a transparent and consistent process for resolving disputes.

The arrangements on enforcement and improvement were recommended to the Scottish Government by the independent expert advisory group that reported on the lessons to be learned for Scotland from the 2013 horsemeat food fraud scandal.

The recommendations on seizure of food, food hygiene information and administrative sanctions were made last year by the Food Standards Agency in Scotland, following a public consultation on new food law provisions.

We intend to lodge a small number of Government amendments in light of the stage 1 proceedings to date. As members of the Health and Sport Committee are aware, they include amendment of the definition of "food" to reflect the recently amended definition in the Scotland Act 1998. We also intend to implement the Delegated Powers and Law Reform Committee's recommendation that we restrict the power to regulate animal feeding stuffs in section 34 by lodging an amendment whose effect will be to cap the maximum penalty level for an offence that is created by use of the power.

The bill will ensure that food safety in Scotland is given the prominence that it deserves by establishing food standards Scotland and equipping it with the necessary functions and powers, so that it can make expedient decisions on issues that specifically affect Scotland and take action to improve the diet of the people of Scotland.

I move,

That the Parliament agrees to the general principles of the Food (Scotland) Bill.

The Deputy Presiding Officer: Many thanks. I call Duncan McNeil to speak on behalf of the Health and Sport Committee. Mr McNeil, you have 10 minutes or thereby.

14:44

Duncan McNeil (Greenock and Inverclyde) (Lab): Thank you, Presiding Officer, for making it clear that I am speaking this afternoon on behalf of the Health and Sport Committee, although the topics of food, animal feed and fish factories are not the normal bread and butter of our committee. That is my first pun—it is not the last, I am afraid. The debate comes at an opportune time, given that it is currently British food fortnight.

More seriously, given the work of our committee and our separate inquiry into health inequalities in Scotland, I am pleased that the new food body will seek to address the key issues of diet and nutrition and their links with obesity and ill health. We look forward to that ambition being achieved because

saying it and doing it are, as we know, different things.

Earlier this year, the Health and Sport Committee conducted an inquiry into the general principles of the Food (Scotland) Bill. In producing our report, we also drew on evidence that was received by the Finance Committee and the Delegated Powers and Law Reform Committee, and I thank those committees for their contributions.

We held oral evidence sessions in May and June and we received a valuable insight into some of the main issues during a visit to Aberdeen, where we met the FSA, representatives of the Rowett institute of nutrition and health, and the eminent microbiologist Professor Hugh Pennington. I record my thanks and the committee's thanks to all those who gave evidence, in person or in writing, and to everyone who engaged so fully with the committee in Aberdeen. I am also very grateful to the Scottish Parliament information centre and the committee clerks for their invaluable help in supporting the committee through its inquiry.

We received the Government's response to our report last Thursday. I am grateful to the minister and his team for that response and, indeed, for responding in good time for today's debate.

As we have heard from the minister, the bill seeks to establish a separate food body for Scotland—food services Scotland. The proposal was first mooted during the so-called machinery of government changes in Whitehall, when the UK Government moved some of the Food Standard Agency's responsibilities back into Whitehall departments. Following those changes, we had a smörgåsbord of reviews, reports and consultations from the Scottish Government, which began—as we heard from the minister—with the Scudamore review, which reported on the merits of setting up a separate Scottish food agency. As we also heard, Jim Scudamore then delivered a further report on food standards and safety in light of the horsemeat incident in 2013.

Before the bill was introduced, consultations were also undertaken by the Food Standards Agency and the Scottish Government. Finally, Ray Jones, chair of Scotland Food & Drink, chaired the expert food group, which focused on red meat and looked at issues of traceability, labelling and provenance. The committee recognises the work of each of those reviews and we are certainly satisfied that the bill has been subject to sufficient consultation.

The bill covers a number of areas. However, the new food body is very much the meat in the sandwich, so I will focus my remarks on that and on three areas in particular.

First, the committee received a considerable amount of evidence on how food standards Scotland will operate in practice. Our report makes clear that there were a number of differing views on the proposed powers and scope of food standards Scotland. Nourish Scotland, for example, suggested that food standards Scotland should focus on improving the nation's diet and nutrition. The Scottish Food and Drink Federation thought that the new body should play an active role in growing the food and drink industry in Scotland—food for thought. We took the view that Scotland already has a great reputation for its food and drink and that raising the standards and safety of our produce can only serve to further boost that reputation. The committee is therefore satisfied with the proposed powers and remit of food standards Scotland and we are hopeful that those powers will be deployed in a proportionate and appropriate way.

Secondly, the committee spent some time considering the proposed structure of food standards Scotland and we received a lot of comment about the size and make-up of the new body's board. The bill stipulates that the board should have

“no fewer than 3 nor more than 7 other members appointed by the Scottish Ministers.”

The committee agreed with the many submissions that raised concerns that a board of three would be too small. However, the minister told us that he envisages the FSS board having a similar set-up to equivalent public bodies, with a membership of around eight. I am grateful to the minister for the reassurance that he has offered us on that front. The committee is satisfied that the structure of the board, together with a duty to report to Parliament annually, provides a sufficient level of accountability.

The third area that we looked at in detail is how the new food body will interact with other institutions here in Scotland and around the UK and Europe. We were reliably informed by Dr Jim Wildgoose, chair of the Scottish Food Advisory Committee, that

“Bugs do not observe borders.”—[*Official Report, Health and Sport Committee*, 27 May 2014; c 5503.]

He stressed the need for FSS to fit seamlessly into the network of food bodies in the UK and Europe. The Scottish Food and Drink Federation called for a

“consistent regulatory framework across the UK.”

The Scotch Whisky Association called for a memorandum of understanding between FSS and the FSA in the rest of the UK, and the Scottish Retail Consortium issued a plea for a robust and transparent protocol to be put in place to ensure that

“food businesses know what to expect from both FSS and FSA UK”.

The Government's response last week indicated that a memorandum of understanding is, in fact, in the process of being drafted in time to be agreed by the incoming board of the new body in the new year, which is to be welcomed. I understand that there is to be provision within that agreement for FSS to have full access to UK research, which I very much welcome.

Other evidence highlighted the fact that a large amount of food policy has its origins in Europe, so there will be an onus on FSS to deliver an improved level of influence at a European level. The minister has offered reassurance that FSS will have

“a wider role in co-ordinating all food and nutrition research funded by the Scottish Government.”

We look forward to seeing that. We are also assured that FSS will carry a strong voice in liaising on behalf of Scottish research institutes to secure access to research funding from Europe. Likewise, the Government response tells us that FSS will retain access to UK resources such as the FSA's advisory committees. I am sure that stakeholders such as Aberdeen's Rowett institute of nutrition and health will be pleased to hear of those assurances.

The committee found that there is near unanimous support for the bill. There are areas where we expect the Government to take on board evidence received from key stakeholders, and I am sure that the minister will ensure that that happens. That aside, the Health and Sport Committee is content to recommend that the Parliament agree to the general principles of the Food (Scotland) Bill.

The Deputy Presiding Officer: Many thanks, Mr McNeil—a veritable punnet of puns. I now call Dr Richard Simpson, who has 10 minutes, or thereby.

14:55

Dr Richard Simpson (Mid Scotland and Fife) (Lab): Thank you, Presiding Officer. I do not intend to compete with either you or Mr McNeil in terms of puns, but I welcome the opportunity to speak at stage 1 of the Food (Scotland) Bill.

As the minister said, the background to this bill is the 1999 act that established the Food Standards Agency as a UK body, with the Scottish ministers at that time having authority to direct the FSA in relation to its activities in Scotland. The act gave the FSA the power to develop food policy, to audit enforcement—usually carried out by enforcement authorities as part of local authorities'

duties—to carry out research, to develop policy and to give advice on food and feedstuffs.

The Scottish section of the FSA has earned considerable respect among all those for whom it has acted; it had good standing with both the Government and the public. Most recently, its independent work in relation to the food fraud and horsemeat scandal was regarded as being of particular value.

However, in 2010, when the new coalition Government decided to split the FSA as a UK body, removing parts of its responsibility for nutrition and labelling in England, there was a need for us to consider what was going to happen in Scotland. Certainly it is a matter for the Westminster Parliament to determine how it governs its affairs down there, but there was a general view that the split somewhat hindered the response to the horsemeat scandal. Some of my Labour colleagues at Westminster feel that the role of industry in respect of the functions of the previous FSA has increased, which has not always been particularly helpful.

The bill that we are considering has arisen following the review that was undertaken by Professor Jim Scudamore. His clear advice, which the Government and my party fully accept, is that food safety should not be divorced from nutrition and labelling and, moreover, that advice on food safety, nutrition and meat inspection should come from a body that is at arm's length from the Scottish ministers. That has been fully accepted and endorsed in the bill.

My colleague Claire Baker will deal at greater length with meat inspection—one of the functions of the body that remains of considerable importance. Colleagues will remember the BSE outbreak and the damage that was done to Scottish meat exports following the outbreak. Claire Baker will also deal with concerns that we have about those who are charged with inspection, given the squeeze on their numbers and the difficulties that they are facing.

Lewis Macdonald will look at the role of the Rowett institute of nutrition and health, issues around collaborative research and the memorandum of understanding, which we have heard is being developed.

I want to dwell briefly on two of the most important challenges that face public health in Scotland. Ever since we Scots gave up eating porridge in the morning as a regular part of our diet, we have increasingly adopted an unhealthy diet. Indeed, 140 years ago, workers in my constituency went on strike because they were receiving salmon three times a week. Now, oily fish such as salmon and herring are only just beginning to regain their place as part of our diet.

Our diet is still too high in saturated fats and salt, and it contains excessive amounts of sugar. As our society has grown richer, we have seen excessive portion sizes, not to mention substantial food waste. The results of that, along with smoking and alcohol, have contributed significantly to Scotland being regarded as the sick man of Europe.

Mortality from heart disease has declined, but that has been due mainly to a reduction in smoking. The FSA, along with the food industry, has done a good job in reducing salt levels, but we still have a long way to go to reach a healthy level in that aspect of our diet. [*Interruption.*] I am sorry, Presiding Officer—I have been having some trouble with my iPad, which has been due an upgrade for some time.

The Deputy Presiding Officer: Do not worry. Take your time.

Dr Simpson: The attempts to reformulate foods with lower levels of salt remain important. Working with the industry on that will be an important part of FSS's work.

On saturated fats, although excellent progress has been made in reducing the amount of trans fats—members might remember that I proposed a member's bill to try to eliminate substantially the presence of trans fats, except in natural form—I believe that the new food standards body will need to continue to address that issue rigorously, particularly in respect of takeaways, which I believe it will be reporting on shortly. Takeaways are eaten more by people in deprived communities and they contain substantial amounts of trans fats.

Sugar is the final part of the equation; calories from sugar might be contributing to the problem of obesity. Although the rate of increase in the levels of obesity has now flattened, it presents one of the most serious challenges to Scots living healthier and longer lives, which is the ambition of the Government and us, because 27.8 per cent of Scots are regarded as obese. That is greater than the figure for England, and it compares to southern European countries' obesity level of around 15 per cent, and Japan's level of only about 3.5 per cent.

One of the main consequences of the epidemic of people being overweight is the substantial rise in type 2 diabetes, which is now thought to affect 0.25 million people in Scotland. It has resulted in, for example, a 20 per cent increase in amputations in the past couple of years because of the associated vascular diseases. The public cost of dealing with obesity is predicted to rise to £3 billion by 2030.

The important remit of the FSS is to improve protection of the public from risks to health arising in connection with consumption of food, and

protection of the other interests of consumers in relation to food. Those are commendable objectives that we support, along with the new remit of improving "the extent to which" consumers "have diets that are conducive to good health."

The bill will put the current co-operation between FSS, the Scottish Government and NHS Scotland on a statutory basis. I understand that the Government has undertaken to ensure when the bill is passed that many of the suggestions that have been made in consultations for direct involvement by FSS will be considered. Those include more direct involvement in the regulation of animal health, animal by-products, eggs, poultry, meat, organic food labelling and drinking water quality. Those suggestions are all commendable, but I suggest that the Government should proceed cautiously and not overload FSS in its first year or two of operation. It will need to be properly financed, and the Health and Sport Committee has expressed some caution in that regard.

There are substantial challenges around food-borne infection and new challenges will arise that are presently unknown. We must recognise that Scotland has suffered one of the worst outbreaks of E coli, in Wishaw in the 1990s, and although most lessons have been learned, Scotland still has a higher level of the dangerous E coli than the other home nations. The FSA has admitted that campylobacter in poultry is stubbornly difficult to control, so that will continue to need to be addressed. As the minister said, there are 50 deaths a year from food poisoning and 2,000 admissions to hospital, but it is suspected that 130,000 consumers a year are affected by it although the exact figure is not known.

Food hygiene continues to be important, so following the Welsh and Northern Irish examples and building on our own experience will be important.

I also want to mention the use of hormones and antibiotics. Antibiotic use in animals is not a new concern—the Swann report in the 1960s advocated caution—but recent growing interest in our own human microbiome and our symbiotic relationship with billions of bacteria in our gut might reawaken interest in what antibiotics are being used in animals.

A number of other issues and concerns were raised in the committee's report and they will be looked at during stage 2. The minister mentioned the question of appeals against certain convictions or acts, and the Scottish Grocers Federation also raised that issue. I am glad that consideration is to be given to the appeals system. The Scotch Whisky Association has also raised concerns

about the appeals process, so it will be looked at at stage 2.

The final area that I want to refer to is the promotion of the food and drink industry, which is of substantial importance for Scotland. Our exports are good and growing, but recognition of Scotland as a place of excellent food is fundamental. I was recently in France, where I was able to see Scottish salmon in French markets. They were identified among all the other sources of salmon because of the label rouge; it is the only salmon that has that. That sort of appellation will be vital to us in the future, so I welcome the fact that FSS is going to play an important role in that.

The proposed newly independent corporate body will, I hope, be able to provide the necessary leadership and advice on issues of nutrition to create a fitter and healthier community as the 21st century progresses.

15:05

Nanette Milne (North East Scotland) (Con): In this day and age, when so many of us rely increasingly on processed food and ready-prepared meals, it is crucial that we can trust the safety and nutrition value of the food that we eat. The Food Standards Agency has served us well in this regard until now but, given the changing remit of the FSA south of the border, the need to tackle the serious problems of obesity that are caused by an inappropriate dietary lifestyle in Scotland, and in the wake of the horsemeat fraud, the Scottish Government proposes to set up food standards Scotland as a new stand-alone body as a replacement for the FSA that will have wider powers than that body has.

Although not all consultees were in favour of the proposal, the majority of people who responded to the call for evidence agreed that it is the way forward. Scottish Conservatives, too, are supportive of the general principles of the bill.

With its three key objectives—

“to protect the public from risks to health which may arise in connection with the consumption of food; ... to improve the extent to which consumers have diets conducive to good health; and ... to protect the other interests of consumers in relation to food”—

the new FSS will have a broader remit than the existing FSA in Scotland, and it will also have powers in relation to wrongly labelled food and non-compliance with food law.

The policy memorandum states that the new body will bring the FSA's existing public health protection role together with a new objective on diet and nutrition. The minister said, in oral evidence, that the legislation will allow food standards Scotland

“to work in a co-ordinated way with the NHS and other organisations with a role to play in the obesity and dietary challenges that we face in Scotland.”—[*Official Report, Health and Sport Committee*, 24 June 2014; c 5756.]

The proposed powers for the new agency in respect of diet and nutrition were generally welcomed by witnesses, but given that a number of other existing bodies also have a role in this area, they stressed the need for FSS to have a strong co-ordination and leadership role. How that will be achieved will depend largely on negotiations after the new body is in place, and there are concerns that the work of FSS and the relevant NHS bodies must be appropriately co-ordinated in order best to tackle the complexities of diet and nutrition in Scotland.

The Scottish Government sees this as an opportunity to clear up confusion over the roles and responsibilities of different stakeholders, and to base advice to the public on sound scientific evidence. However, there is clearly a great deal of work to be done after the legislation is in place, and ministers should heed the Royal Society of Edinburgh's caveat that in order to achieve its dietary and nutrition goals FSS must be adequately resourced and well connected to the Scottish Government's scientific advisers.

There are concerns about the financing of FSS, whose extra powers beyond those of the existing FSA are likely to cost an extra £5 million or so in the first year. It is intended that the increased running costs will be offset through a financial transfer to the Scottish Government from the FSA's UK-wide budget, but the exact value of that is still under negotiation and, although the minister assured me at committee that negotiations have been straightforward and that he is confident of a satisfactory outcome, they will not actually be complete until after the incoming FSS board is in place, which is predicted to be early next year. Of course, any future extension of the remit of FSS could have financial implications for the body itself and even for local authorities. Therefore, to my mind, there are still significant uncertainties about the funding of the new body, which will be crucial to its success.

A clear theme that emerged from evidence to the committee was the need for FSS to have access to the best science to underpin policy. There is extensive diet and nutrition expertise within the food industry, academia and national bodies such as NHS Health Scotland, which should be accessible to the body, and also within expert committees like the Scottish Food Enforcement Liaison Committee, and there is also food-related research from UK Government sources. Professor Peter Morgan of the Rowett research institute, and Professor Hugh Pennington, on behalf of the RSE, highlighted the need to maintain existing links to the advisory

committees to the UK food agency. Professor Morgan noted that

“a lot of work is going on in the UK and across Europe, and the advisory committees can pull it together and give advice through food standards Scotland as an independent body.”—[*Official Report, Health and Sport Committee*, 3 June 2014; c 5569.]

The great opportunities for Scotland through Horizon 2020 funding were also stressed by Professor Morgan.

The memorandum of understanding between the FSA and FSS that is currently being drafted, with its protocols on science and research setting out the arrangements for the bodies to work together where appropriate, and to exchange data and research findings in all areas of mutual interest, will be crucial to the success of the new body, so I look forward to the promised publication of the agreed document at the earliest opportunity.

Other issues that were raised with the committee include the governance of FSS, in particular the size of the board that will be in charge of its work; proposed sanctions for food law offences; the possibility of setting up an appeals process against fixed-penalty notices, to which the minister referred; measures to tackle food fraud; and a possible negative impact on Scottish food businesses should we develop a different labelling regime from the rest of the UK. Time is too short to deal with those issues in detail, but any unanswered concerns will, no doubt, be raised as the bill proceeds through Parliament.

There was general support for a mandatory food hygiene information scheme to be set up in the future, and an acceptance that the Government should monitor the schemes in Northern Ireland and Wales before finally committing to such a scheme for Scotland.

There are significant issues still to be resolved in the complex area of food, nutrition and diet, but I am satisfied, as are my fellow committee members, that setting up food standards Scotland is the right way forward. The detail of the legislation will be examined further at stages 2 and 3, but I am happy to accept the general principles of the Food (Scotland) Bill.

The Deputy Presiding Officer: We move to the open debate. We have a little time in hand, so there will certainly be time for interventions.

15:11

Aileen McLeod (South Scotland) (SNP): I welcome the opportunity to speak in the debate and thank the Health and Sport Committee's convener, Duncan McNeil, for his opening remarks. I also thank all the stakeholders across local government, the NHS, food and drink

producers, the industry and regulatory bodies as well as the many others who provided written and oral evidence to the Health and Sport Committee, which assisted us greatly in our scrutiny of the bill at stage 1.

The bill is important, so I am pleased to see that there is general consensus on its broad principles and what it is trying to achieve. As others have said, it will establish a single independent body to ensure that the former functions of the Food Standards Agency remain together, thereby allowing clear responsibility and accountability for all aspects of food safety and standards. That can only be beneficial for consumers in Scotland.

Crucially, the bill will help us to tackle the serious public health issues surrounding obesity. The bill also shows that we have learned the lessons from the 2013 horsemeat scandal, in that many of the measures that were recommended by the two expert working groups that were tasked with reviewing what went wrong in our food chain have been incorporated in the bill.

I welcome the Scottish Government's response to the committee's stage 1 report—in particular, the clarification that the Government has provided on the envisaged role of food standards Scotland in relation to diet and nutrition, the accessing of European research funding and the research functions of the new body. I will focus on section 2, which sets the objectives of food standards Scotland and includes a new objective on diet:

“to improve the extent to which members of the public have diets which are conducive to good health”.

As the minister said, obesity presents a significant and growing public health challenge in Scotland. Regrettably, we are near the top of the OECD league table for obesity. Parliament is aware of the contribution that obesity makes to the incidence of other potentially serious long-term conditions, including type 2 diabetes, heart disease, osteoarthritis and some cancers, so I welcome the principle that FSS will have a new focus on diet and nutrition. Obesity cannot be viewed as a health issue alone, and neither will we tackle it successfully if we rely only on creating behavioural change.

The causes of the increase in obesity are complicated and the efforts to address the trend will require collaboration across sectors. Many people tend to associate food standards with food safety, hygiene and cleanliness but not necessarily with improving the extent to which the public have

“diets which are conducive to good health”.

I am therefore pleased that the inclusion of the objective on diet and nutrition was supported, in the evidence that the committee received, by the Soil Association, the James Hutton Institute, the

British Medical Association Scotland, the Royal Society of Edinburgh and Quality Meat Scotland.

Linked to the competence of FSS over diet and nutrition is the potential role that it can play in influencing the European Union agenda, working together with various Scottish research institutes and groups, not least in terms of identifying and accessing research opportunities at UK and EU levels.

I also welcome the Scottish Government's response and the memorandum of understanding that is being developed to operate between the FSA and FSS to ensure that the latter has full access to UK research.

FSS's creation is an opportunity to build more formal and effective working relationships with the appropriate UK and EU agencies. The new body will be able to collaborate, co-operate and share intelligence with other organisations in Scotland, the UK and Europe. Clearly, that will be valuable should we ever see a repeat of international food fraud incidents such as the horsemeat scandal. That will also allow for a similar approach to research.

We have expertise that others need, for example on shellfish, and we have highly regarded research into food and diet, such as that which is being carried out by the James Hutton Institute. We have a lot to offer in that regard, as well as much to gain. As my committee colleague Nanette Milne said, there are substantial potential opportunities for Scotland's research arising out of the EU's new horizon 2020 research funding programme. The issue of food security is one of the grand societal challenges that have been identified by the EU to be supported in the context of that programme, with research work focusing on food and healthy diet. The horizon 2020 statement on that theme refers to

"social and economic access to safe and nutritious food."

That reflects very well the diet and nutrition objective in FSS's proposed remit.

The creation of food standards Scotland affords us a wider opportunity not only to plug Scotland in to the developing pan-European research, but to ensure that Scotland is ideally placed to make a significant contribution to one of the major challenges facing our society. That opportunity is as significant as our work on the integration of health and social care for adults, which is helping us to make the case very strongly for Scotland to become an international centre of excellence in research into healthy and active ageing using digital health solutions.

I look forward to the bill proceeding to stage 2 and to the Health and Sport Committee's further

discussion on it. I am happy to support the bill's general principles.

15:17

Claire Baker (Mid Scotland and Fife) (Lab): I am pleased to be taking part in the debate. The bill sets out the operational detail for food standards Scotland. I think that everyone in the chamber supports the general principles, but I will make one point about the board's membership. Although the committee supports the Government proposals on the board's membership, it does not support the proposal on sectoral representatives. I ask the minister to reflect on the Mather commission's report, which the Scottish Government welcomed at the time, which recommends employee directors for public body boards. The establishment of food standards Scotland gives the Government the opportunity to act on the issue. Given the particular responsibilities of food standards Scotland and the key importance of the consumer, it would be important to have employee representation on the board in some form.

Although it was the Health and Sport Committee that scrutinised the Food (Scotland) Bill and it is the Minister for Public Health who is putting the case to us today, food standards Scotland is an organisation whose responsibility will extend to the food inspection regime in Scotland, covering work in abattoirs and meat plants, as well as issues around accurate labelling and food fraud. I will focus on those issues.

A few weeks ago, I spoke at *The Scotsman* conference on food and drink during food and drink fortnight. At the conference there was a clear emphasis on Scotland's strong brand, on our international reputation and on provenance and transparency in our food sector. It was recognised that if Scotland's food and drink sector is to grow, make a significant contribution to our economy and offer quality employment opportunities, those strengths must be promoted and protected.

The establishment of a new food standards body—we all support the necessity of a separate Scottish body for the reasons that others have outlined—gives us an opportunity to be clear about our expectations on the operation of the food sector and to introduce a robust regulatory regime that puts the consumer firmly at its centre.

There are some real challenges in the sector. It is a tough sector and food production is highly competitive. It operates on very narrow profit margins and we can see the impact of that. Recently, four free-range chicken producers' contracts with Hook 2 Sisters were terminated. That will result in the total number of independent chicken producers in Scotland falling from 28 to 16 and the number of chickens produced in Scotland

falling by 7 million birds at a time when chicken consumption is increasing.

We all recognise the pressures that are on food producers—rising prices, pressure from the supermarkets and increasing competition from overseas—but we cannot allow them to lead to any weakening of our regulation. The numbers of meat inspectors and meat inspections have fallen in recent years. They exist to protect the consumer, but they also protect Scotland's brand and reputation.

In a recent Bank of Scotland report on the food and drink sector, 64 per cent of those questioned identified regulation and compliance as a significant challenge for their sector, but any damage to our sector, which would be left vulnerable with light-touch regulation, would take years to recover from. We know that from recent examples. We need to ensure that the sector's well-earned reputation is protected. Although all effort must be made to have regulation that is proportionate, it must also be robust and effective.

Let us consider some of the realities within the sector. A recent freedom of information request by Unison Scotland showed that, since April 2012, meat inspectors and vets have prevented more than 1 million cases of diseased animal carcasses from entering the food chain. That included 659,000 instances of liver fluke parasite and 427,000 instances of pneumonia in red meat carcasses. The figures are pretty concerning, but the fact that we have a meat inspection regime means that diseased carcasses are being detected before they reach the human food chain.

There is intense lobbying at European Union level for lighter-touch regulation that increasingly looks to pass the responsibility from the public sector to the industry. There are real concerns about the consequences of that for the consumer. Already, 37 out of the 87 poultry plants across the UK have employed their own meat inspectors. For me, that raises issues of accountability and conflict of interest.

The creation of a new body in Scotland gives us an opportunity to ensure that regulation acts in the interests of the consumer. Two of the body's objectives clearly emphasise protection of the consumer. Although measures must be proportionate and support the industry, it must also be demonstrated that they deserve the public's trust. Trust must be at the heart of the new body. It needs to be able to hold the public's confidence. Sections of the industry are failing and we certainly need to work with them to challenge that and to raise standards.

However, they also need to be transparent and accountable. Meat inspectors and vets must be able to carry out thorough, independent

inspections, free from food sector influence. Of course there are people in the sector who recognise that and the value of the system, but we need only to speak to some of the people who work on the factory floor to get an understanding of how tough the sector can be, how hard the working conditions are, how pressured the sector is to produce the end product quickly, how difficult it can be to go in and enforce the inspection regime and how essential it is to have a robust regulatory regime with independent scrutiny.

The new body—food standards Scotland—must have a clear position on that and support its staff who work at the sharp end, because another reality is that produce at the lower end of the sector is more vulnerable. The demand for cheap food from the retail sector and the consumer puts pressure on the sector, but we cannot allow the low-income consumer to be left vulnerable to poor practice. The recently highlighted growth in food fraud, which ranges from counterfeiting to mislabelling and substitution, is also a significant challenge for the new body to address.

I will close with some concerns about environmental health officers—in particular, issues of capacity and underfunding.

At the height of the horsemeat scandal last year, the pressure on local authority services became clear. In 2008, more than 16,000 food safety samples were taken throughout Scotland but budgetary pressures meant that, by 2012, that had dropped to just over 10,000 samples. There had also been a 21 per cent drop in the number of specialist food safety officers who were employed by local authorities.

Increasingly, the capacity does not exist to carry out regular checks. If we want a service to be delivered that meets the challenges of the modern world, it needs to be better supported by not just local government, which faces financial pressures, but central Government and the new food standards body.

The bill establishes the legal standing of food standards Scotland. The debate will now move on to the new body's policy and practice. If we are prepared to put the interests of the consumer first, everyone—including the industry—will benefit from the advantages of safe, high-quality, respected and trusted Scottish produce.

The Deputy Presiding Officer: I remind the chamber that we have time for interventions. Should members wish to develop their ideas and thinking as the debate develops, on this occasion that would be welcome.

15:25

Christian Allard (North East Scotland) (SNP):

I thank the convener of the Health and Sport Committee, Duncan McNeil, and its members for their work in compiling the stage 1 report on the Food (Scotland) Bill. I am particularly pleased that the committee chose to come to Aberdeen. For the past few months, Aberdeen has been in the media spotlight. I never stopped reminding journalists that there is more than one booming sector in the north-east of Scotland.

Food and drink in Scotland is much more than an economic driver; it is part of the country's fabric and culture, and part of our past, our present and our future. Of course, the north-east is at the very heart of it. The north-east of Scotland is the country's natural larder.

I do not yet feel ready to speak about diet and obesity, as I have not followed the First Minister's advice to moderate my food intake, so I will pass and let other members talk about the subject. The only comment that I will make is that, in the main, the problem that we are struggling to cope with is the quantity of food that some of us are eating. Eat less and eat better-quality food is the advice that I must follow.

Unlike Duncan McNeil, I worked in the food industry for 30 years—for many years, it was my bread and butter. I will concentrate on food safety and the implementation and enforcement of food regulations. As others have done, I make a plea to all members to support our food industry, and I remind Scottish consumers to buy locally and to eat safe and nutritious food—Scottish food.

The consensus that emerged in the stage 1 report is that the present situation has been made untenable by the direction that the Westminster Government has taken. A lot has been said about a particular food scare. I note that, in oral evidence, Uel Morton from Quality Meat Scotland stated:

“As we know from the horsemeat scandal, the substitution of beef with horsemeat in ready meals and burgers occurred further down the chain. It was not committed in the UK. It happened in Ireland, in the case of the burgers, and in France”—

to my shame—

“with a background in the Netherlands. It was a complicated international food fraud.”—[*Official Report, Health and Sport Committee*, 17 June 2014; c 5680.]

Claire Baker: Although the member is correct in his description of the horsemeat scandal, does he recognise that substitution is an issue in Scotland? There have been cases of substitution involving, for example, white fish and lamb, particularly in the restaurant sector. Despite the fact that the horsemeat scandal was not linked to Scotland, we

still face issues with food fraud and substitution that we need to deal with.

Christian Allard: I agree with the member on her point about restaurants. I encourage anyone who buys the catch of the day to ask where the fish comes from. People would be surprised—sometimes what is called the catch of the day comes from the other side of the world, but the catch of the day cannot come from the other side of the world. It is important for consumers to know exactly where their food comes from.

At the same time as we had the horsemeat scandal, in Aberdeen the local authority stopped the export of seafood because of a wrong label. The contents of the seafood boxes were not different from what the label said; the shipment was stopped because the label was not seen to follow all the EU rules and regulations. I worked in the food industry for 30 years and, believe me, labelling is a nightmare, because the rules and regulations change all the time.

We sometimes have to ask ourselves who is directing such things. People in the food and drink industry have to know what the rules are—that is very important. In that case, there was nothing wrong with the product, and the name was clearly on the label, but the i's were not dotted and the t's were not crossed to the liking of the local authority, which had no idea of the existing food labelling laws.

Claire Baker mentioned funding, which is an important point, as some local authorities are perhaps not prioritising spending in that area. There must be a better way of enforcing legislation.

The committee's report points out that

“few witnesses questioned the creation of the new food body and instead sought assurances about its working practices.”

NFU Scotland was very supportive of the Scottish Government's intention to bring back powers to Scotland. There is a lot that I like in NFU Scotland's list of recommendations, such as its suggested changes to sections 2.3 and 15.1 of the bill. Food standards Scotland must be both transparent and objective in the way that it goes about its business, and we all expect better consultation, co-operation and co-ordination and recording of the decisions that are made in moving services from south of the border.

Leadership in co-ordinating relevant laws and regulations must be taken by the new food standards Scotland agency. It is partly a lack of leadership that has brought us to where we are. We must ensure that the bill supports Scottish producers, and we must not forget what makes our food industry in Scotland: first, the producer;

secondly, the retailer; and, most important, the consumer.

I disagree with the view of Mr Morton from Quality Meat Scotland that

“the retailer is a soft target”.—[*Official Report, Health and Sport Committee*, 17 June 2014; c 5680.]

In fact, the retailer is the right person to target if we want consumers to have confidence when they purchase food, whether it comes from abroad or from Scotland.

I was very impressed during the committee’s visit to a seafood producer base in Aberdeen. I know Michael Robertson, the managing director, very well. All those in the seafood sector share a concern about the possibility of increasing costs associated with the bill. We need reassurance from the minister today that having a system in Scotland that is different from that in the rest of the UK does not automatically mean higher food costs. Scotland does not operate in a vacuum at home or abroad, and our Scottish producers must be able to compete.

New labelling and regulations in Scotland must be accepted in the rest of the UK and in the EU if they are to be enforced. They need to be clear and transparent. I agree with Michael Robertson that there must be some discussion about inspections, because local authorities’ inspections are not of a high standard. I want to move away from having retailers dictating to Scottish producers, which is what happens just now in the food industry. I ask food standards Scotland to show leadership with regard to major retailers on that point.

Some members of the committee noted that they hoped that food standards Scotland would exercise its powers in a professional and appropriate way that would protect the prospect of sustainable growth generated by the industry. I would like that sentiment to be more than hope—I would like the bill, when it is passed, to be a guarantor of a system that will grow our food and drink industry.

I have been very much encouraged by the support that has been received from food producers in Scotland; they recognise that the Scottish Government is moving in the right direction. Let us have a food standards agency in Scotland that is fit for our fantastic food and drink sector and fit for the 21st century.

The Deputy Presiding Officer: Bravo.

15:33

Bob Doris (Glasgow) (SNP): I, like my committee convener Duncan McNeil, thank everyone who gave evidence to the committee as well as the clerking team and SPICe for all their support—it is only fair that I put that on the record.

I will say a bit about access to research, evidence, science and advice, which other members have also discussed. We have heard much about the need to ensure that we still have access to the relevant UK experts. It is worth noting that sometimes those UK experts happened to be in Scotland—indeed, they are sometimes based not in the UK but elsewhere in Europe.

It became clear to me fairly quickly that food standards Scotland would not have a narrow horizon with regard to research, evidence, science and advice. The scientific and research community is global, and borders are increasingly irrelevant.

In sections 69 to 74 of our stage 1 report, the Health and Sport Committee supported that view, and it was endorsed by the minister, who made it clear that there had been

“a very good working relationship with the FSA at a UK level from the outset”—[*Official Report, Health and Sport Committee*, 24 June 2014; c 5744.]

and that a memorandum of understanding with the FSA is being developed. I would almost have taken that for granted, but it is good to have had that firmed up for the avoidance of doubt. That is good progress.

It is worth stressing that such a memorandum will involve the rest of the UK seeking advice from Scotland-based experts, as I have said before. That is important. The traffic is not one way: there is self-interest for the rest of the UK in having that memorandum of understanding.

Sections 78 to 84 of our stage 1 report outline broad support for that approach, but I think that the report goes a step further. It leads us to consider the huge opportunities to develop research and expertise in Scotland. Section 81 of the report quotes Professor Peter Morgan of the Rowett institute of nutrition and health, who said:

“great opportunities for Scotland”

are

“coming through the horizon 2020 funding.”

I understand that billions of pounds of research money are available in that. He also remarked that food standards Scotland

“should have a definite role in trying to influence what research is done.”—[*Official Report, Health and Sport Committee*, 3 June 2014; c 5577.]

Therefore, there is a key role for the new organisation. There is a key economic role as well as a food standards role with our higher education institutions in accessing funding across Europe and beyond. I know that the minister agreed with that.

Support to go even further than that came from another source. Tim Smith of Tesco is quoted in section 84 of our report. He said:

"I encourage more boldness and suggest that the new body will want not just access but influence. Some issues will be more important in Scotland than they are in other parts of the United Kingdom. The new body will need to ensure that those priorities are met with the same enthusiasm as applies now."—[*Official Report, Health and Sport Committee*, 10 June 2014; c 5653.]

One of the key things that I would like to know is how the new body can be proactive about being a specialist in certain food standards issues and in research and development across Europe and the world. There are massive opportunities to direct that.

On a more local level, I want to look at section 32 of the bill, which creates new provisions relating to the contravention of food information laws. In many cases, we are talking about food fraud, to put that into plain English.

The issue may seem trivial to some, but if a person goes down to the local chip shop, pays £5 for a fish supper and thinks that they are getting haddock, they should get that. If they are not given haddock, that is an offence. As we heard earlier, if a person goes for a meal with their family and orders a lamb curry, they will want to ensure that what is in it is what they think is in it. I am not talking about food safety; I am talking about food fraud and misinformation.

Stewart Stevenson: The member is right to highlight the issue, which is far from trivial. It is not just a domestic issue. In Nepal, I have seen Kat 69, which certainly did not come out of the Vat 69 factory in South Queensferry. I have seen the trade in second-hand Johnnie Walker bottles in India and Coke bottles being refilled in a back street in Hebron in the west bank. Major brands attract fraud around the world. We can play a role domestically in setting a standard and protecting the value of brands from which we earn a lot of money. The problem is far from being trivial.

Bob Doris: I reassure the member that, since I got married around two and half years ago, there have certainly been fewer recyclable Johnnie Walker bottles lying about my house—that is for sure. However, he makes a serious point. Food fraud does not start with the retailer; the retailer is quite often the end point of a complex web of criminal activity around the globe. It is about traceability and accountability. I know that some retailers feel that they are perhaps being overly scrutinised, for offences elsewhere, but they have a duty to report, and if a deal is too good to be true, they should know that it is. Therefore, they cannot shirk their responsibilities, either.

I was quite surprised to find out that if there is mislabelled food or food fraud, the courts cannot step in and confiscate that food. It is easier to confiscate hooky trainers than a dodgy doner kebab. That sounds like a bizarre thing to say, but

that is the case. The new law will change that. I would not like the food to be destroyed, of course. If it is safe, let us give it to homeless people and food banks. Let us put it somewhere where it can be used for benefit.

I support the scheme of fixed-penalty notices, which I think will be well received by local authorities, which at present have to prosecute criminal offences. Because of time constraints, I will not read out the full quote, but William Hamilton from Glasgow City Council's trading standards department said that it would be "a boon" to the council to be able to use fixed-penalty notices rather than complex court proceedings.

Ministers will be able to introduce, through guidance if they choose, a mandatory food hygiene information scheme, to ensure that such information is displayed in all food outlets. I encourage that to be rolled out as soon as possible in a way that does not put a constraint on local businesses. It should be standard that, when people walk into a place where food and drink are available, they can see at a glance what level that place is operating at.

We sometimes target the end point of bad practice in food and drink systems across Scotland, Britain and Europe, so we should remember that, of course, the vast majority of food and drink producers, processors and retailers in Scotland do an outstanding job. However, the powers in the bill are necessary so that we not only maintain that standard but improve it further.

15:41

Malcolm Chisholm (Edinburgh Northern and Leith) (Lab): I congratulate the Government on introducing the bill. Establishing food standards Scotland as a stand-alone body is clearly the most viable option, based on the recommendations of the Scudamore and other reviews and building on the existing expertise and best practice of the Food Standards Agency. I congratulate the Health and Sport Committee and support its recommendations.

One recommendation that particularly interested me was the request for clearer detail on the proposed research functions and capability of FSS and how those will relate to UK-funded research bodies. That reminded me of the rationale for setting up the FSA as a UK body in the first place. The 1998 consultation document said:

"The Government believes that a single body to control and regulate food safety and standards in the United Kingdom is appropriate because it would be impractical and costly to duplicate the necessary scientific advice in all parts of the UK".

I was therefore reassured by Duncan McNeil's reference to the memorandum of understanding

that is in progress and the guarantee of access to UK research. That is an important development.

Duncan McNeil also referred to the committee's approval of an eight-person board. The committee welcomed the minister's reassurance on that, but I want to back up Claire Baker's point about the Mather commission and the merits of having an employee director. I do not need to give the minister a lesson on that, because of course many, if not most, health bodies already have an employee director. If we needed reminding of it, Claire Baker mentioned the invaluable work that people on the ground do. In particular, she referred to meat inspectors, who prevented more than 1 million instances of diseased animal carcasses entering the food chain. I therefore hope that the minister will consider that proposal for an employee director.

It is no secret that many in Scotland have difficulties with weight and health and that much of that relates to the quality of our diet. A preventative approach is clearly essential, and clear and reliable nutrition advice through labelling of food is an important part of that. That is why it should be welcome that labelling will be made a priority when the new body is formed next year.

Having a stand-alone body that addresses the regulation of food standards will allow us to place emphasis on our national health priorities and protect Scottish consumers while avoiding the UK's rather fragmented approach to food standards as a whole since 2010. It is not entirely clear why the responsibilities were sectioned off to different departments in the way that they were. In fact, the review panel under the guidance of Professor Scudamore, along with many stakeholders, made the point that FSA UK

"had functioned well prior to the UK Government's Machinery of Government changes in 2010".

It is clear that a joined-up approach that recognises the connections between different areas of monitoring and maintaining food standards and the Government's overall health priorities will be required if we are to address issues such as obesity and tackle lapses in food quality. As the Scudamore review concludes, Scotland has unique and complex problems in relation to diet, obesity and certain food-borne diseases, which means that food safety and regulation should not be divorced from nutrition and labelling standards.

In that respect, FSS's extended remit will require substantial extra resources. The financial memorandum states that there will be a direct transfer of existing staff from the FSA to FSS. However, the minister has indicated that the new body's remit will go beyond that of the FSA's functions. To that end, I hope that before stage 2

the Government will produce an update on the budgetary negotiations with the UK Government and give further assurances that future expansion of FSS's role will be appropriately resourced.

As the Scottish Government 2010 report "Preventing overweight and obesity in Scotland" points out, evidence suggests that the provision of health information, although important, is not sufficient and that to make the changes necessary we have to reshape our living environment from one that promotes weight gain to one that supports healthy choices. By broadening the scope of FSS to prioritise an evidence-based approach that allows a greater understanding of what leads to poor diets and ill health, we can go beyond monitoring quality to promoting health and tackling health inequalities on a broader front.

However, it is important that any existing staff receive the appropriate level of upskilling to allow them to deliver any new changes. The concern that was reflected in a small number of the responses to the consultation was that it would perhaps be preferable to allow some time to pass, to allow the new body to bed in, before expanding the remit to include public health issues more generally. That is perhaps a prudent suggestion that may be worth considering as the bill moves forward. Indeed, there is much to be considered in the Scottish Government's further suggestions on the additional work of FSS; many of them have merit, but perhaps all of them will require careful consideration as to what is feasible.

It has been suggested that the scope of the body could include considerations of environment, provenance, sustainability, food security or tracking and measurement of food poverty. The last suggestion is intriguing and I look forward to hearing more on how the additional work will link in with current responsibilities, and who within the new body will ensure that its role is co-ordinated with the NHS's existing programmes and priorities. There is still a lack of clarity on that, and as the committee's stage 1 report suggests, the onus is on the Scottish Government to take

"any steps necessary to ensure that the work of FSS and the relevant NHS bodies is appropriately co-ordinated."

Widening the scope of FSS provides an opportunity for the body to lead on a national response to the problem of food poverty, thereby helping to confront one of the most pressing public health problems that we face. There are various ways in which that may be achieved, but partnership working between local authorities and FSS is key.

Earlier this week the Finance Committee discussed the connection between national outcomes in the performance framework and implementing measures at local authority level.

There was a great deal of discussion as to how budgets could be allocated to combine national ambitions with effective partnership working, to achieve a healthier and more equal Scotland. That policy could be highly effective in challenging some of the major health problems that Scotland faces if it is implemented with the partnership working that local authorities desire.

As a nation, our relationship to food is fundamentally linked to many of our health issues. I hope that gaining an understanding that safety and regulation should not be divorced from nutrition and labelling will translate to a more holistic approach to maintaining standards and promoting health. On that basis I am happy to support the bill at stage 1.

15:48

Colin Keir (Edinburgh Western) (SNP): I thank Duncan McNeil for his convenership of the Health and Sport Committee as my colleagues on the committee and I went through the stage 1 process.

The bill has been one of the most interesting things that we have done. In effect, everyone thought that the Food Standards Agency and food standards Scotland were fairly standard things to have. However, the further we looked at the bill, the more problems were brought in, relating to the producer, at the low end, right the way up to the retailer, and how the people in the chain of supply felt about FSS. At what point should regulation kick in to penalise severely those who have done something wrong? Some believe that overregulation means that people are discriminated against. Some producers are looking for lighter-touch regulation, because they believe that local authorities already have enough power to do work within their companies.

The fact that there is no one view on this matter is what makes it so diverse. As the committee found on a number of occasions, everyone wants food standards Scotland, but there are differing views about what it should do. I had certainly never thought about issues such as the regulation of animal foodstuffs, which has been mentioned by various members, and we can take that all the way through to the vision that Christian Allard, with his years in the food industry, set out with regard to regulation. I think that it will be very difficult to secure absolute agreement from everyone.

In a very interesting trip that the committee made to Aberdeen earlier in the year, we not only talked to the Food Standards Agency and other organisations such as the Rowett institute of nutrition and health but ended up visiting Joseph Robertson (Aberdeen) Limited, a food processor in the area. As someone who, as members can

imagine, has been no stranger to a fish supper over the years—perhaps I should stop eating them—I started to ask questions. Where does this fish come from? How is it identified and tracked? How do we ensure that it is quality food?

As far as food safety is concerned, we just do not realise what is going on. For example, I was astonished to find that, each year, food safety issues cost the economy something like £140 million and lead to the hospitalisation of 2,000 people. I could not quite get that into my head at the time. We simply do not realise the overall effect on the economy, never mind the food industry. Although, as many members have pointed out this afternoon, the food industry has a phenomenal reputation, we have still had to endure the Wishaw E coli outbreak and, of course, last year's horsemeat scandal.

I am really interested in finding out how this legislation will be enforced. The retailers who made comments to us seemed to feel mildly discriminated against. However, as Bob Doris has said, the opposite view was taken by officers from Glasgow City Council, who said that fixed penalties—*[Interruption.]* Excuse me, Presiding Officer—I am suffering from a bit of a throat this week. The officers told us that the fixed penalties and compliance notices will be a fantastic boon to them. Their problem, however, is the cost of taking cases of food fraud and the like to court, only for the perpetrator to come out with a fine that barely dents their finances. We need to toughen up the system. If we do not, our reputation as one of the world's great providers of quality food and the reputation of the associated industries will diminish, and our salmon will no longer be seen in France, for example, as being of the highest standard.

The question, then, is how we do all that, given the prevalence of European legislation. How do we take account of the fact that the horsemeat scandal, for instance, emanated from the continent? We need partnership working, and that applies as much to research. After all, bugs do not respect borders. We cannot act independently; given the worldwide nature of the food processing business, we, too, need to look worldwide.

I do not want to go through everything that has been said this afternoon. All I will say is that I agree with virtually all of it and that I think that the bill's principles are correct. The question is how we do all this without hurting people who are not at fault, how we track the perpetrators of fraud and how we ensure that issues such as the E coli outbreak in Wishaw and the 2013 horsemeat scandal are appropriately dealt with.

I support the bill's principles.

The Deputy Presiding Officer (Elaine Smith):

We still have a bit of time in hand. I can give the remaining speakers in the debate seven minutes each.

15:55

Jayne Baxter (Mid Scotland and Fife) (Lab):

Thank you, Presiding Officer.

I thank the members of the Health and Sport Committee for their detailed consideration of the proposals in the Food (Scotland) Bill and for their report on the bill.

As members have often said, we are rightly proud of the quality of Scottish produce and of the many Scottish food and drink brands that are recognised across the globe. It is not just high-end brands that have a global reputation; members should remember how Irn-Bru and Tunnock's teacakes took centre stage at the Commonwealth games opening ceremony—they are national icons.

Despite our international reputation for high-quality food and drink products and for products that are regularly found in the shopping trolleys of families throughout the UK, only 18 months ago reports of the horsemeat fraud filled the media and provoked widespread concern and uncertainty about the origin and quality of the food that is on sale across Scotland, whether it is intended for domestic consumption or for children in schools, patients in hospitals or residents in care homes.

The revelations focused public attention on how our food is produced and processed as it makes its way along the chain from source to store. The timely Scudamore report had been published some months earlier and contained proposals for the establishment of a Scottish food standards body. It was noted in the report that food safety in Scotland seems out of step with the position in the rest of the UK, given that Scotland has experienced higher reporting levels of E coli.

The inspection and regulation of the food industry across the board, whether we are talking about supply and production or hospitality and catering services, are much needed. Therefore, I was worried to read about the concern that Unison expressed, in evidence to the committee, about cuts in recent years in the number of environmental health officers. Given the history of food safety in Scotland, it is vital that the food inspection workforce remains adequately resourced and supported. Further detail on such issues and other aspects of FSS's work would be welcome as the bill progresses. I look forward to the issues being explored at stage 2.

A key objective of the new body will be:

“to improve the extent to which members of the public have diets which are conducive to good health”.

As is the case with aspects of food standards Scotland's administration and governance, the detail of how FSS will address Scotland's dietary challenges needs to be explored further. I note that the Scottish Government has confirmed that the detail will be firmed up when the organisation is properly established.

It is vital that food standards Scotland's powers to improve diet and nutrition are used and function well alongside the powers of, for example, the NHS. I look forward to learning more about how FSS will interact with existing bodies and stakeholders, including local government and the third sector, in improving the wellbeing of Scotland's people.

Throughout Scotland there are examples of community-based food-growing projects, schools that work with parents to improve knowledge of nutrition and cooking, and projects that bulk-buy food and make it available to communities where the choice in local shops might be limited. I firmly believe that such initiatives have a big role to play in changing behaviour and raising awareness.

I hope that that will be recognised as we move forward, because we remain a nation that has worryingly high levels of obesity among men, women and children. Scottish health survey data indicates that in 2012 as many as one in six children were at risk of obesity. We are what we eat, but although that is perhaps irrefutable it is not enough in itself to influence behaviours and attitudes to food. I say that as a grandma who has been known to treat the family to a fast-food feast. Members should consider my use of the word “treat”, which says something about our attitudes to food. I confess that my grandchildren would probably choose the fast-food option over Grandma's home cooking any day. The health implications of the food that we eat are huge and directly impact on day-to-day quality of life as well as long-term wellbeing.

At the time of the horsemeat fraud last year there was renewed focus on how people can access good-quality, affordable, fresh food. Many people simply have neither the money in their pocket nor the time in their day to pop along to their local organic market, even if such a thing exists in their area, and many people do not have the skills or equipment to produce a nutritious home-cooked meal. None of those are circumstances over which people might have much control, so realistic discussions are needed about how people access food in their communities and what choices are available.

We need to consider the quality of food when the consumer may be vulnerable and yet have

little choice available. Members will recall that there was widespread concern about the content of meals in schools, hospitals and care homes as well as about the meat that was being sold in supermarkets up and down the country.

That horsemeat fraud episode flagged up a clear breach of trust, which is why the bill's provisions on food labelling are so important. We must be able to trace food back through the chain to the production stage—to the slaughterhouses and suppliers at the beginning of the process. Many of the problems last year were traced to international suppliers. There was a good response to that scandal, but I am keen to see clear measures on how we can prevent such incidents from ever occurring again.

Although there were some reservations from those who gave evidence, on the whole there has been clear support for the establishment of a separate food standards body and I am happy to lend my support to that. However, as others have noted, we must ensure that cross-border regulations work well and that Scottish producers are not faced with additional labelling burdens or different requirements if they are selling to markets in the rest of the UK.

16:01

Stewart Stevenson (Banffshire and Buchan Coast) (SNP): It is a great privilege to represent the people of the north-east of Scotland, and of course it allows me to indulge my palate and pamper my digestion.

As I look across my constituency, I can eat smoked salmon from Portsoy that has been smoked using redundant whisky barrels from the local whisky industry with a variety of flavours. Is that not wonderful? I can go to my supermarket—I can go to any supermarket in these islands—and buy a ready meal that has been produced in Fraserburgh to high standards. I can eat haddocks that have come from Peterhead, and I can eat excellent beef, lamb and other meats—and increasingly the greengrocer has been supplanted by the butcher across my constituency.

Perhaps what I particularly enjoy is to go to Whitehills and buy, for a pound, the Cullen skink Scotch pie, which, popped in the microwave, under the grill or in the oven, is the most delicious Scotch pie people will ever have in their lives. If, perchance, the shop there is shut, I can go to the chip shop where Billy Gatt serves excellent fish and chips. I know that it is excellent because he also has a fishing boat that provides the fish. In the north-east of Scotland, we can do extremely well.

Bob Doris: I know that we have some time in hand, Presiding Officer, so I hope that you do not

mind me making this intervention: does the member ever bring some of that produce to the Scottish Parliament?

Stewart Stevenson: I will take orders later. Downies of Whitehills will be delighted. I will say to members that they can go online and Downies will send orders to them. I genuinely encourage members to do that. The pie is superb.

For tonight's tea, I will have a boiled egg from a chicken that is kept in an Edinburgh garden. A friend gave me the egg two nights ago.

Not all outcomes of consuming our excellent Scottish produce are entirely predictable. Once, as a very young lad, I was so attracted to the Victoria plums growing in our garden that the doctor had to be called because I had turned a rather delicate shade of purple—the plums were found to be the cause.

Richard Simpson talked about the demise of porridge. It has revived. I was brought up in Cupar in Fife, and Scott's Porage Oats were produced on the doorstep in Cupar. Scott's now produces excellent microwave porridge—it takes two minutes in the microwave and it has a little bit of soya in it to stop it boiling over. It is well worth trying. There are other suppliers; I do not focus just on that one—I hope that I have not cawed the feet from under my colleague who represents North East Fife—but porridge is still there and it is excellent. I have it every single day of my life, often with fruit, particularly Scottish berries.

We have talked about how difficult it is to cook. I was in the boy scouts—I will not be alone in that regard—and I started my cooking career there without a single implement of any kind: I threw an onion into a fire. I waited until it was really charred, then fished it out, peeled off all the burnt bits and was left with a semi-cooked onion that I could chew on. That was really very good for you, if not very good for your love life, but there we are. I can see looks of horror from members around the chamber. We moved on to wrapping potatoes in tin foil and throwing them in the fire; we could make baked potatoes without any implements.

Seriously, though, colleagues, let us show our youngsters that they can make a start in the business of cooking with the simplest of resources by just using what is to hand. What I described sounds funny, but it got the idea into me that I could cook. I hope that the FSS will do some work in that area, and I say to Jayne Baxter that people do not necessarily require any equipment in order to cook.

Let us have a wee think about some of the things that happen in our communities, particularly in rural areas. There is a lot of home-made produce—for example, jams and scones—found at coffee mornings, and home-made soup and

sweets are a particular feature of life in the north-east. When we set up a regulatory regime, it is very important that we do not end up in a position whereby the sale of home-made food products becomes difficult. The vote in the recent referendum and in all elections in my area takes place in the Scottish Women's Rural Institute hall at Hilltown, in the middle of nowhere, but the WRI has wonderful strawberry teas and so on there. Let us be careful that we do not do anything that might compromise that kind of voluntary activity.

There have been quite a lot of references to the quality of the Scottish food product. Unintended side-effects sometimes come from certain actions, and I refer particularly to the Immature Spirits (Restriction) Act 1915. That act was brought forward at the behest of Lloyd George to restrict the supply of spirits. They were kept in bonds for three years so that those in military towns and factories would have less spirits available and that sobriety would rule and productivity would rise.

That is neither here nor there, though, because the reality is that the 1915 act eliminated cheap rotgut whisky from the offering and laid the foundations for the export industry that is an important part of our economy to this day. Indeed, some brands of whisky still have the information on their label that they are

“bottled ... under British Government supervision.”

That all stems from the 1915 act. Therefore, although it drove up the cost of whisky and created a certain set of problems, it ended up creating an industry with a worldwide reputation. As my intervention on Bob Doris illustrated, that industry is much copied, so we need to protect it very hard indeed. Claire Baker in particular raised that issue.

I suggest that the new FSS—food standards Scotland—has a role to play that I am not sure that I have seen clearly articulated in the work that has been done on the subject so far: it is how the FSS will respond to innovation in the food sector. We will not stand still in that regard, because if we do not move forward and continue to innovate, others will outcompete us.

I therefore think that the FSS must have more than simply a duty to regulate; it must also have an element of a duty to help and assist. In other words, as with the Scottish Environment Protection Agency now, it cannot just knock on someone's door and tell them that they have a problem; it must work with people in the industry to help them develop a solution to the problem and take it away and share it with others in order to help them. That is one little point that the minister and others who are involved in the work on the FSS might care to think about.

I must say that I envy the minister because I have a suspicion that he will find himself visiting food producers in the course of his work, as I did when I was a minister. Perhaps he has done so already. When I was a minister, I got taken to a community garden in Monimail, which is in my colleague's North East Fife constituency, where I was presented with a basket of fresh organic vegetables that had been harvested that day. The taste of that when I took it home was such that my wife said, “Where did you get this? Can you get some more?”

I regret that, as is usual, MSPs are not allowed to be appointed to the board of the new body, because I foresee the position of board member being greatly sought as they will be so close to the wonderful food that we produce in Scotland.

Like others, I am happy to see the bill brought to Parliament. I look forward to the debate here on in, and I will support the bill every inch and every bite of the way.

16:09

Roderick Campbell (North East Fife) (SNP): It is always a difficult job to follow Mr Stevenson. It is particularly difficult today, but he has expanded my knowledge by mentioning a piece of legislation of which I hitherto had no knowledge at all—the Immature Spirits (Restriction) Act 1915—which I shall remember for some time.

As someone who is not a member of the committee, I thank it for its sterling work on the bill. As has already been said, Scotland has a worldwide reputation for being the home of good food. Our food suppliers proudly trade in Scotland's name in produce as diverse as meat and potatoes, desserts and other forms of confectionary. Like Stewart Stevenson, I represent a part of Scotland in which the food industry is vital. I assure Richard Simpson that the porridge oats industry is alive and kicking in North East Fife. The food industry is vital to the local economy and, indeed, to the Scottish national economy.

It is therefore imperative that the standard and safety of the produce is second to none. Scotland's reputation in international food markets has suffered in the past due to events such as the BSE crisis, foot-and-mouth disease and the recent horsemeat scandal. It should of course be remembered that, in the products sampled by the Food Standards Agency on a UK-wide basis, no traces of horsemeat were found in any produce manufactured in Scotland. All 47 products found to contain horsemeat were from other parts of the United Kingdom. Nevertheless, we cannot be complacent when it comes to food standards in Scotland and we must learn from past mistakes. I therefore applaud the Scottish Government's

decision to accept the recommendations from the reporting groups led by Professor Jim Scudamore and Ray Jones, which were referred to earlier.

I agree with the conclusion reached by the Health and Sport Committee in its stage 1 report that the changes made in the UK have made it necessary for there to be a new food body in Scotland. The machinery of government changes made by the UK Government in 2010 that affected the FSA were criticised by Professor Scudamore in his earlier work. As far as I am aware, there is continuing disagreement down south between the FSA, which is continuing to demand that control be given back to it over authenticity and labelling policy, and other agencies of the UK Government.

The policy here is already a devolved matter, but, as Professor Scudamore warned, the consequences of the machinery of government changes were detrimental. I am sure that the Scottish approach that we have adopted is the correct one. Notwithstanding that, I hope that a suitable way forward is found in England following the publication of the Elliott review or, to give it its full title, the “Elliott Review into the Integrity and Assurance of Food Supply Networks—Final Report: A National Food Crime Prevention Framework”. One of the things that I am concerned about is that there should be no negative knock-on impact in Scotland as a result of continuing wrangling between DEFRA and the FSA.

I noted with interest that the majority of the respondents to the Scottish Government’s consultation on a new food body in Scotland were in favour of extending the remit of the new body at some stage and that those included all local authorities that responded. There appears to be a broad agreement that any extension of the remit should be done on the basis that it provides

“improved strategic leadership and better co-ordination of multi-agency service delivery.”

That is an admirable aim.

Issues relating to food contamination, safety and standards have been well rehearsed in the debate. Many of the respondents to the Scottish Government’s consultation on creating the new food body recommended that the new food authority should have scope all over aspects of food “from farm to fork”. Localising that work as far as possible would be very helpful. To that end, I share the sentiment expressed in Fife Council’s response, which stated that it believes:

“the existing partnership between local authorities and FSA works well and this successful partnership approach in Scotland is the building block for a new body.”

I agree with that aim.

I welcome the enforcement provisions set out in the bill, particularly the power to seize and detain food that does not comply with food information law, as is currently the position in relation to unsafe food. It is quite clear that we all take it for granted that the food that we eat is safe. We assume that the food, in its packaging and on our plates, has come from reputable, reliable sources and will cause us no harm. However, as the minister said in his opening speech, for 50 people a year in Scotland food-borne disease proves fatal and 2,000 people each year need hospital treatment for it. Richard Simpson referred to the E coli outbreak in Wishaw, and we obviously do not want to go down that route again.

It is not only safety that the new body will be charged with overseeing. It will be charged with improving diet and nutrition and the extent to which members of the public have diets that are conducive to good health.

As many members will recall, we have previously discussed the Fife diet, and I make no apology for drawing members’ attention to it once again. Since October 2007, the Fife diet campaign has challenged people in Fife to eat locally sourced produce. The initiative has continued to grow and has encouraged people from further afield to try a locally sourced diet. One benefit is knowing exactly where the food we are eating has come from, tying in with the “from farm to fork” ethos that I have mentioned. That means that people know that the food that they are eating, which will generally be seasonal, will be of good quality and, most important of all, safe to consume.

The long-term effect of the diet will, I hope, be significant. I am aware that some stakeholders believe that the new body that is being created could go further in supporting the growth of the food and drink industry, but in my view the agency will have achieved a lot if it helps to improve Scotland’s diet, with the undoubted benefits to the health service and to the individuals concerned. Section 2(1)(c) mentions the objective:

“to protect the other interests of consumers in relation to food.”

That is quite a wide-ranging objective and it gives every opportunity for the new agency to expand its role in the time to come.

This is an important bill and, when it is established, I wish the new agency well.

16:16

Lewis Macdonald (North East Scotland (Lab)): I have a number of perspectives on the debate: I was co-convener of the cross-party group on food in the last parliamentary session, I was minister with responsibility for the Food

Standards Agency in Scotland in the session before that, and I campaigned successfully for FSA Scotland to be based in Aberdeen back in 1999. From all those perspectives I think that the existing agency has been a success. It has been engaged with Parliament and other partners, it has been responsive to Government and public policy, and it has been an exemplar that makes the case for locating central Government agencies in cities and regions of Scotland outwith the central belt.

The Food Standards Agency was set up by the incoming Labour Government of 1997 at much the same time as it legislated for the Scottish Parliament. It is no coincidence that the inspiration to set up the FSA came from two leading academic experts in Aberdeen, the microbiologist Professor Hugh Pennington, who gave evidence to the committee's inquiry this time round, and Professor Philip James, the then director of the Rowett Research Institute. Hugh Pennington led the inquiry into the E coli outbreak in Wishaw in 1996, and his report recommended the creation of a new food standards agency. Philip James had a report on how to do that on ministers' desks within days of the 1997 election, and that report was then implemented to establish the FSA in the following couple of years.

Stewart Stevenson: I have an observation about the fallout from the E coli incident. It required butchers to raise their standards and separate uncooked meat from cooked meat. Curiously, it seems to have had the result across Scotland that, although there are fewer butchers, by investing and innovating, butchers are now much safer and are competing successfully with supermarkets. Sometimes, if a good central agency does its job well, it helps industry in a way that cannot always be foreseen, and that is an example.

Lewis Macdonald: I am grateful to Mr Stevenson for making that point; he is absolutely right. Earlier we heard criticism of enforcement in the fish processing industry and the same applies. Effective enforcement of the right regulations is good for the industry as well as for the consumer. Mr Stevenson is right to make that point.

The timetable for the establishment of the FSA meant that it was set up in Scotland as one of the first actions of the new devolved Government in 1999. The intention to locate FSA Scotland in Aberdeen was announced by the Scottish Executive in October 1999. The present headquarters at St Magnus house were opened in April 2000.

Professor James and Professor Pennington were only the best known of a substantial scientific research community in Aberdeen, which is what made the city the obvious choice of location for the

agency, and which continues to support the work of the FSA in Scotland to this day.

It is striking to see how the institutional landscape of that research community has changed in the period of devolution, but it is even more striking to see how the scientific excellence that supports it remains of the highest order. For example, the Rowett institute is now part of the University of Aberdeen, but it continues to be a world leader in the science of nutrition and health. That was important in 1999 and it is even more important today, given that the bill proposes to strengthen the remit of Food Standards Scotland in relation to dietary health. The Marine Laboratory in Aberdeen is now part of Marine Scotland. It, too, continues to provide best-in-class expertise in a range of areas, such as safe consumption of shellfish. The former Macaulay Land Use Research Institute is now part of the James Hutton Institute, and the former Scottish Agricultural College is now part of Scotland's Rural College. Again, both those bodies remain important partners for the FSA today, and for FSS in future.

That critical mass of scientific expertise is not gathered in and around Aberdeen by accident. As we have heard, the north-east has an exceptional concentration of primary food producers and food processing industries. That is ultimately what sustains Aberdeen as a centre of knowledge and of regulation.

Geography has also helped FSA Scotland to make a success of its Aberdeen base beyond the immediate city region. Ease of access to ministers and other stakeholders in Edinburgh and London has been important and will continue to be so. Whatever the institutional framework of the policy frameworks of the respective Governments, close partnerships and Scottish access to research excellence and food advisory bodies across the UK will continue to be vital to the effectiveness of FSS.

Another benefit that has been alluded to in part is the fact that food standards practitioners from other parts of Britain have come to Aberdeen and to Scotland to learn from the work that is done here. Not only is that good for those other regulators, as Bob Doris said, but it is also a source of informal influence beyond Scotland, which is very much in Scotland's interest. I hope that it is something that ministers will also seek to maintain as the memorandum of understanding is put in place.

Quick and frequent transport links between Aberdeen and the northern isles have also been important to the success of the agency. FSA Scotland has had high levels of engagement with food producers and processors in Shetland and Orkney, to the benefit of the agency and those island communities. As a central Government

body that is located outwith the central belt, FSA Scotland has had, from the beginning, an outward-looking approach to engaging stakeholders across the Highlands and Islands and throughout Scotland. There is no culture of staying warm in an office close to the centres of power instead of getting out and engaging with the real world. FSA staff have always seen the whole of Scotland as their home patch, and I am confident that that culture will continue in a new agency based in Aberdeen.

Many of the strengths that FSS will inherit from FSA Scotland can be built on in the period ahead. For instance, the Rowett institute provides the scientific basis for the food and health innovation service, with funding from Scottish Enterprise. That brings together partners from across the UK. For example, Marks and Spencer's "fuller longer" range of foods, which is available in stores throughout the UK, was developed with the active support of and advice from the Rowett institute. That is just one example of the excellent work that is done by the FSA's partners in Aberdeen and which will continue to be available to the new FSS.

FSS will also want to maintain its strong partnerships with the local authorities in Aberdeen and Aberdeenshire, as well as with the food sector. I commend local councils for enforcing food safety regulations in the interests of consumers, and I support what Claire Baker and Nanette Milne had to say about the importance of properly resourcing that regulatory activity at all levels.

I hope that the minister will today reaffirm the Government's commitment to meeting that resourcing challenge, its support for continuing partnerships in Scotland and beyond Scotland and its commitment to continue to deliver Scotland's food standards from a new headquarters in Aberdeen. With those commitments, I believe that the bill will go forward with support from across the chamber.

The Deputy Presiding Officer: Before I call Gil Paterson, who is our final speaker in the open debate, I remind Parliament that members who have participated in debates are expected to be in the chamber for closing speeches.

16:24

Gil Paterson (Clydebank and Milngavie) (SNP): I am pleased to speak in the debate. Some of the points that I intend to raise have already been outlined by other members, so please bear with me. Some of the items are worth restating.

I praise those who are involved in the food and drink industry in Scotland for the positive effects that they bring to Scotland and our economy. Around the globe, their products are known,

respected, trusted and enjoyed, which brings great advantage to the industry and the country's economy. I believe that Scotland's presence on the world stage in 2014, through the Commonwealth games, the Ryder cup, homecoming and even the referendum, will bring greater interest in our products.

We must give the industry the protection and security that it needs to put clear structures in place to ensure that standards remain as high as possible. I am pleased that the bill sets out the establishment of a single body—food standards Scotland—that has a clear responsibility for all aspects of food safety and standards, and I welcome the fact that, to gain trust and confidence not only in the food industry but among consumers, the new body will be independent, evidence based, transparent and accountable to the Parliament.

Over the past few years, there have been too many instances of trust between Governments, the food industry and ordinary people breaking down. All of us in the chamber will remember the mad cow disease epidemic during the 1990s, when British beef, including our own Scotch beef, was banned from a number of countries around the world. The horsemeat scandal was a more recent incident in which trust in our food produce was lost, with a detrimental impact on our economy. I am relieved that long-term trust was not damaged and that we came out of that much stronger.

I am fairly sure that having a single agency in charge of food safety and standards would have prevented those incidents from happening. The changes that have been carried out since then must continue to develop and adapt to new environmental conditions to ensure that we can combat any future issues. Through the measures in the bill, food standards Scotland will be given the appropriate enforcement powers to follow that through and maintain the trust of producers and consumers alike. There is no point in having a weak organisation to deal with such a vital component of day-to-day life. The people deserve nothing less.

The creation of appropriate non-criminal enforcement sanctions will go some way in that regard, as will the measures that allow officers to seize and destroy foods that do not meet food standards or labelling rules. Consumers will be comforted by the knowledge that the produce that they have purchased contains exactly what is outlined on the label and nothing else. That is a very important point to emphasis when building trust.

As I am a member of the Health and Sport Committee, my attention is drawn particularly to the measure relating to people in Scotland having

a nutritious diet. That is paramount in ensuring that our people live healthily and longer. Knowing what is contained in produce will help families to purchase goods that are of nutritional value, which will have a positive impact on the diets of the general population.

We have discussed at great length, not only in the Health and Sport Committee but in the chamber, the importance of tackling obesity and the health problems that are associated with it. I am pleased that the Scottish Government is taking the matter seriously. Scotland is not alone in experiencing the obesity crisis and we must learn from other countries. There must also be a Scottish dimension to any solution to this ever-increasing problem not only because of the impact that it is having on the health of our people but because of the impact that it will have on our health service in the long run.

My good friend Christian Allard said that he may not be particularly equipped to address matters of obesity. My guidance is that someone with a few pounds around their middle might be the very person to engage people who suffer from not being able to control what they eat. Food is like all addictions, so someone who has experienced that problem and has been carrying extra weight is, in my book, the very best person to do that.

Stewart Stevenson: With an increase in the consumption of microwavable meals and the different way in which microwaves cook food—from the middle outwards—I wonder whether some health issues arise from the fact that the outside of a microwaved meal may not be heated enough if not cooked properly, with some of the bacterial load not eliminated by the cooking process. Are there a wide range of issues related to the changes in our cooking habits that we need to look at in order to protect our health? We should look not simply at overconsumption but at how we cook, prepare and eat foods.

Gil Paterson: The member makes a good point because, in this modern life, people not only move so fast but may not take enough time to prepare their food. I have also learned that some families have not been engaged with and taught how to cook a meal. That is a serious issue for us all.

I will finish my little chat to my good friend. I suffer from an addiction to sweet things and Irn-Bru—I just cannot give them up. I am the wrong person to talk to someone else about weight because I am okay that way, but to try and control the sweets that I eat and the Irn-Bru that I drink is a hard job for me.

We have discussed that very issue at great length not only in the Health and Sport Committee but in the chamber. I hope that we are able to

learn from those discussions and that we can make improvements to tackle the issue.

It has been estimated that the total cost of obesity to Scottish society in 2007-08 was in excess of £450 million and the public cost is expected to increase dramatically to £3 billion by 2030. Those are scary figures for the health service. The problem is of a truly serious nature and all must be done at Government and personal levels to tackle it.

An area of particular concern with unhealthy diets is the impact on those on low incomes.

The Deputy Presiding Officer: I ask the member to begin to draw to a close, please.

Gil Paterson: Surely. Thank you for being so patient with me, Presiding Officer.

I commend the bill to the chamber. I hope that it passes unanimously tonight.

16:32

Jackson Carlaw (West Scotland) (Con): After three frenetic weeks bashing round Scotland debating the great issue of our constitutional future, back we come to Holyrood, keen to involve ourselves in the business of Scotland, and what more thrilling prospect could there have been for the first piece of primary legislation to discuss than the Food (Scotland) Bill? It was the minister's mission to make the debate as thrilling and exciting an opportunity for discussion as he could—a responsibility that he studiously sought to avoid, I thought, as the words “worthy”, “consensual” and “non-controversial” fought one another into an early grave. I make no criticism of him for that. Indeed, the Scottish Conservatives support the bill's principles because its content and the various aspects to which members have referred throughout the debate are important.

A number of points arose that attracted my interest, and to which I will refer. The minister almost involved himself at some length in the tongue twister of the horsemeat labelling food fraud scandal, on which I waited for him to trip up from time to time. However, it was the fraud relating to horsemeat that was the problem. We are quite precious in this country about a number of issues. For example, in other parts of the world, people eat horses freely. In fact, this week, I saw in the papers that we are all being encouraged to eat Dartmoor ponies as the only way to make the species sustainable.

The minister said that labelling would prevent fraud. I am not sure how that would necessarily come about. The testing of products to ensure that what we are getting is what the labels say is in them will always be key; that is what is particularly important. I am grateful to Duncan McNeil, who set

out the work of the Health and Sport Committee in that respect, which demonstrated that he felt that the consultation had been wide.

Stewart Stevenson: Will Jackson Carlaw take a brief intervention?

Jackson Carlaw: I ask Stewart Stevenson to let me wait until I get further on, because his interventions have lasted about half an hour, on each occasion.

Your predecessor in the chair today, Presiding Officer, referred to Mr McNeil's "punnet of puns". We had "meat in the sandwich" and "food for thought" and, at one point, Mr McNeil got quite confused between his FSSs, FSAs, SFSs and, potentially, SFAs—I think that we almost got round to those. However, he made important points about board accountability and the composition of the board, which the minister already recognises.

I will focus on an area on which Richard Simpson touched: diet, which is undoubtedly one of the most important issues. When the Parliament first met in 1999, dementia and obesity were rarely, if ever, discussed. They are now two colossal pillars of the health challenges that the NHS has ahead of it and have, in essence, emerged during the lifetime of the Parliament. With 250,000 people having type 2 diabetes and an estimated cost of £3 billion a year by 2030, obesity is one of the great challenges.

I will concentrate on diet because Dr Simpson and Mr Stevenson touched on porridge. Porridge is one of the foodstuffs that has been corrupted. Instant porridge, which many people buy—on the supermarket shelves, we see dozens and dozens of varieties—is absolutely thick with sugar substitute. If we look, we find, compared to the natural product, something like 26g to 45g of sugar in each portion that is served. We need to spend a lot more time analysing and drawing attention to that concentration of sugar. Our focus has been on a low-fat diet without recognising that instant porridge and low-fat yoghurts, for example, are absolutely rich in sugar substitute. I know that everybody who has time should make their own porridge, but I had to look very hard to find an instant porridge that does not have a lot of sugar in it. I recommend that porridge be stuffed up with blueberries and raspberries; everybody will be very much better off as a result.

Jayne Baxter and Aileen McLeod also referred to the importance of diet. It is our responsibility to inform; we must not allow the diet that individuals consume to become our responsibility. Everybody must remember that they themselves have responsibility for their diet. If we simply allow it to become a transferable responsibility of the Government, we will do the public a disservice.

Christian Allard made a fine speech. It came from his 30 years of experience in the food industry. He made particular points about food labelling and, as a businessman from the food industry, made an important point in saying that the good intentions of politicians do not always take into account the practical realities of having to deal with all the food labelling responsibilities that are then placed on retailers. We should be mindful of that.

He referred to his visit—I think that it was a private one—to Joseph Robertson (Aberdeen) Ltd. I have seen the photograph in the report. Aileen McLeod, Duncan McNeil, Richard Simpson and Richard Lyle, who is not in the chamber, all look very fetching in their Wellington boots, plastic hats and coats. I can see why Richard Lyle is not here, having seen his photograph in that report.

Bob Doris quoted the Scottish National Party's new favourite retailer, Tesco, which was interesting to hear. Malcolm Chisholm drew attention to important matters on future research.

Stewart Stevenson also made an important point; he talked about soup and sweet, which I hope is not the Aberdeen way of saying, "You'll have had your main course." He also talked about ensuring that regulation does not become an unintended food hazard. That is an important consideration as well. We do not want that to come about.

We must twin diet and the food agenda that we are addressing today with exercise, which is a related—but indirectly so—aspect of ensuring that people are healthy in the future.

I also pay tribute to Colin Keir, Roderick Campbell, Claire Baker, Lewis Macdonald and Gil Paterson for their contributions to the debate.

There are issues that we would like to be addressed at stage 2. We are slightly concerned about the ability to give notice about or seize food that may contravene food information law, and we want to be sure that there will be a right of appeal. Whether labelling has complied with regulation could be quite subjective, and there could be an element of interference and waste. We also want to ensure that the fixed penalties do not become something that people absorb as a cost deliberately to frustrate the legislation.

However, we are happy to support the bill at stage 1.

16:40

Rhoda Grant (Highlands and Islands) (Lab): I join other members of the committee in thanking witnesses, those who facilitated the committee's visit to Aberdeen, those who submitted evidence

and the clerks and committee staff who co-ordinated all that work.

We are supportive of the general principles of the bill and recognise the need for it. We need to have a robust regulatory regime that protects our consumers. As well as protecting consumers, high standards promote our producers and, indeed, our products, as Claire Baker made clear.

We should not be surprised that members have taken the opportunity to talk about their favourite brands, which include some of our iconic brands, such as Scottish salmon and Johnnie Walker whisky. Jayne Baxter mentioned Irn-Bru and Tunnock's teacakes, and Stewart Stevenson spoke about enjoying a cullen skink Scotch pie, which was a new one on me. That tells us more about the Scottish diet than anything else, but according to the old adage that a little of what you fancy does you good, any pleasure that someone who eats that in moderation gets might offset the detriment, if they are very careful.

That said, it has been a serious debate, in which we have considered the public health role of food standards Scotland. Many members have talked about the Scottish diet and health and obesity in our nation. Mention has been made of the need to address the issue, and the fact that the new body might have a health promotion role has been welcomed. It would have to exercise that role alongside other players in the area, such as the health service and local government. As Jayne Baxter said, we need to ensure that that activity is co-ordinated and that there is no duplication of effort, but given the enormity of the problem that we face, it is important that FSS has such a role.

Richard Simpson talked at some length about the health issues that we face with obesity, diet and portion size. He also talked about his proposed limit on trans fat member's bill. What a difference that would have made to our diet. We know that cheap food tends to be high in fat and sugar because that improves the taste, but it can also be hugely harmful to health. I think it was Jackson Carlaw who pointed out that sometimes food that is described as healthy because it is low fat is extremely high in sugar. We need to be very careful that that does not have a health consequence. People might think that they are making the right food choices when in fact they are doing more harm than they would have hoped.

Malcolm Chisholm mentioned food poverty, which is an extremely important issue. The existence of food poverty emphasises the need for local authorities to work with FSS and health boards to ensure that people who live in poverty can access good, healthy food, because cheap food tends to be the most unhealthy food. On that topic, Jayne Baxter talked about community food initiatives. The committee's visit to Aberdeen

included a visit to Community Food Initiatives North East. We saw some of the work that it is doing to provide healthy food and to promote healthy food choices; in addition, it operates a food bank.

It is good that the committee went to Aberdeen and the north-east for all the reasons that Lewis Macdonald identified. The area is a centre of excellence for food production, safety and research. Our visit was extremely useful. We met some of the organisations that Lewis Macdonald spoke about at some length in his speech and they made a great contribution to the committee's deliberations on the bill.

An issue that has not come up as much as it might have done is the funding of the new agency. Nanette Milne mentioned that negotiations are going on with the UK Food Standards Agency regarding the proposed new body in Scotland. It is to be hoped that matters will be resolved and that FSS will get a satisfactory financial settlement. That would be welcomed by everyone in the chamber.

If the new agency is provided with the finance that is currently enjoyed, it will be able to continue with the current role. However, if it is to take on new roles in areas such as public health, more funding must be put in place. The Scottish Government has acknowledged that it would need to provide more funding, but there are no real assurances in that regard in the bill. We need to get those assurances to ensure that any extension of responsibilities is fully funded so that, as Malcolm Chisholm noted, the agency can carry out any extra functions.

Other members, such as Claire Baker, mentioned funding for the local authority role in consumer protection and food safety. Responsibility for those areas falls on local government, but local authority budgets are being tightened. It is not enough for us just to look at the funding for food standards Scotland—we also need to consider the funding for the other organisations that have a lead role in protecting consumers and promoting public health and safety. That includes meat inspectors, who do a good job, as members have mentioned, but who are very thinly spread. If we are going to take food standards seriously, we must ensure that funding goes to those organisations as well as to food standards Scotland, and that the bodies all work together to bring about good outcomes for consumers.

We have heard a lot of talk about the need for robust labelling. As we saw with the horsemeat scandal, it is very easy to put a different, cheaper product into food in order to provide profits for those who produce that food. Roderick Campbell mentioned that none of the affected food was

traced back to Scotland, perhaps because we already enjoy a good regulatory and labelling regime that prevents such things from happening. However, we cannot afford to be complacent.

On the committee's trip to Aberdeen, we visited Joseph Robertson (Aberdeen) Ltd and saw how its food labelling worked, and the efforts that the company made to ensure food security. Any products that could cause an allergic reaction were used towards the end of the week when all the other food had already been produced. There was a huge amount of effort, precision and programming going on to ensure that the labelling was correct, that the food was secure and that the description on the tins matched what was inside. It was a very useful visit.

However, we understand that producers are concerned about food labelling and the need for a compatible regime throughout the UK, so it is good that there is a memorandum of understanding on those issues. That will bring the protection that we want, and the safeguards that the industry wants, to ensure that we can be proud of our products.

There was some discussion about fixed-penalty notices. Having fixed penalties means that lesser infringements can be dealt with quickly and more easily, and that the process is streamlined, which may free up inspectors to go on to the more difficult business. However, I welcome the fact that we are considering an appeals process, because it is very important that people have the right of appeal if a mistake is made, and such a process would put checks and balances in the system. We look forward to seeing what that process will look like as the bill progresses through the Parliament.

There has been discussion about the size of the board, which was an issue that raised some concerns during the committee's deliberations. As Duncan McNeil said, we have received reassurances from the Scottish Government that the board will be of a size that will allow it to do its job. We must be careful that the board focuses on consumer protection rather than being industry led; there are a lot of concerns in that regard.

That does not mean, as Claire Baker pointed out, that the board cannot have an employee director, which would make a huge difference. The Government welcomed the recommendations of the Mather commission in that respect, and it would be a welcome step forward if the new body was one of the first to implement them. It is very important to have employees involved.

The Deputy Presiding Officer: I ask the member to draw to a close, please.

Rhoda Grant: Sorry, Presiding Officer—I thought that I had a lot more time, but, as often happens, it has run away.

Partnership working will be at the very forefront of how food standards Scotland operates, and we emphasise that, while agreeing to support the bill and its general principles.

16:49

Michael Matheson: I thank everyone for their contributions to the debate. A range of very good points has been made. I welcome the broad cross-party support for the establishment of food standards Scotland and for the bill.

Duncan McNeil set out in a very fair way the broad areas that the legislation will provide for, and he rightly highlighted the various views that exist on the creation of food standards Scotland. I recognise that not everyone in the sector believes that its creation is the right thing to do for their particular purpose, although the vast majority believe that it is the right thing to do. However, I am sure that all members recognise that we have arrived at this particular point not because of a failing on the part of the FSA but because of changes that have taken place elsewhere and because the expert group—not just Professor Jim Scudamore, but also the other representatives on his expert group—came back with the recommendation on how we need to respond to the matter. We took that on board and introduced the bill.

We have therefore arrived where we are with very good reason, and it is incumbent on us to ensure that we take the bill forward in an appropriate way. We will ensure that we get the provision on food safety in Scotland that we require.

Duncan McNeil made a number of very important points about where FSS needs to sit with the rest of the regulatory bodies and functions that already exist. Its partnerships with the FSA in the rest of the UK and other representative organisations in the rest of Europe and beyond are absolutely critical. Alongside that, there are our local authorities, health boards, producers and retailers and the roles that they all have in food safety and production in Scotland. FSS has an important role to play, and we will need to ensure that it fulfils it effectively and in an appropriate way.

I hope that members are reassured by the memorandum of understanding on a range of issues that we are taking forward with the UK Government. I believe that it will be a very productive way for us to continue what has been, from the process that we have gone through to establish food standards Scotland, very cordial and responsive engagement with each other in taking the whole area of policy forward.

Richard Simpson and a number of other members raised the very important issue of dietary improvement and how FSS can assist in co-ordinating the whole approach to tackling dietary issues and improving nutrition. We made provision in the bill to give FSS a very clear strategic role that no other body in the country currently has in order to help to drive that agenda forward.

Richard Simpson made a very good point about the need to tackle issues related to salt, sugar and fat in our diet. The FSA has taken forward a range of work over a number of years in which it has made progress. For example, it would be fair to say that many of our big supermarket retailers, including Asda and Tesco, have adjusted and reformulated their own products to reduce things such as salt, fat and sugar in their products.

We have made less progress with branded products. Indeed, I think that we are getting to the point at which we must ensure that retailers recognise that they are part of the solution in dealing with our nutritional challenges and dietary problems in Scotland, and in tackling obesity. The issue is a societal one, and our retailers and food producers have to play their part in helping to overcome it. FSS has an important role in helping us to ensure that that happens effectively in Scotland.

Richard Simpson and several other members raised the issue of the potentially wider remit of FSS. When we decided to take forward the bill, I was clear that I wanted to protect our reputational integrity in Scotland for good food products, and I wanted to ensure that we protected the first-class work that is currently taken forward by the FSA in Scotland to ensure that there was no loss of public confidence as we moved to a new public body.

That is why we have taken a cautious approach. We have done so to ensure that we get the things that the FSA does just now right in the new body so that there is no question about its role and people having confidence in it. We have created a footprint in the bill that allows us to expand and develop the body as we move forward.

If we do that, we will rightly have to look at the resource implications, to which members have referred. Nanette Milne referred to obesity and nutrition and she touched on funding. It is important to recognise that we already fund the Scottish proportion of the FSA's activity. We fund it at Scottish level and we pay a central amount to the UK body for some of the centralised roles that it undertakes. Therefore, the budget for the FSA in Scotland is already part of the Scottish Government's health budget, and it will go to FSS.

The issue on which we are still in negotiation is moving some of those centralised functions that we already pay for into the Scottish organisation. I

am confident that we will reach an agreement on that. I assure members that FSS will have the budgets that are required for it to undertake the functions that the FSA presently undertakes. If we choose to change those functions, the Government of the day, of whatever party, will have to consider the resource implications.

Aileen McLeod highlighted the importance of research in the food and animal health sector. As a number of members rightly pointed out, it is important that FSS can participate in research programmes at UK level. It is also important that we have access to expert advice, as we intend and have agreed with the FSA, but it is equally important that we provide access to the expert advice that comes from Scotland. As Lewis Macdonald highlighted, Scotland already provides expert advice on nutrition and dietary issues and, in particular, on shellfish and E coli, and our intention is for that to continue. We also intend that we will be able to participate in research programmes at European level, where there is a range of work to which we can contribute.

Claire Baker raised the issue of an employee director. That is a good and fair point to which we are sympathetic given our track record on health bodies, which have an employee director appointed to the board by ministers. The reason why we cannot make a decision on that now is that we do not have a chief executive, a chair and a board in place, but I reassure the member that, given our track record with present health bodies, I would like that approach to be reflected in FSS, because an employee director can have a valuable role in a national organisation.

Claire Baker also raised a valid point about EROs, our environmental health officers. I should say EHOs, not EROs—that is what happens when you get caught up in referendums. The administrative fixed-penalty regime will help to relieve some of the burden on our EHOs. When they want to take forward an issue, that often involves a report to the procurator fiscal, submitting further reports and then a wait for the matter to go to court. It can sometimes take more than a year or two before a case even gets to court. The fixed-penalty scheme will allow us to release some of that burden, which is why some of our EHOs have welcomed the measure. It will allow them to be much more responsive and to move on to other issues.

We also have to consider the testing that our EHOs undertake. We can use different models for that. We could have testing that is controlled more centrally by FSS, working with local authorities and funding them for the purpose of undertaking the testing. However, we need to ensure that we have good data collection at national level. There

are a variety of options that we can consider pursuing to help to address some of the issues.

A number of members talked about an appeals mechanism for the fixed-penalty scheme. We have to be careful not to get into a situation in which there is an expectation that every fixed-penalty notice can be appealed, as that could draw the whole system to a halt because of repeated appeals.

At present, if someone is stopped by the police and offered a fixed-penalty notice for a driving offence, they have the right to refuse that. If they refuse it, a report goes to the procurator fiscal and eventually the matter will go to court, where the person can then argue their case.

There is an element in this process that, if someone is issued with a fixed penalty notice and they disagree with the EHO, they can refuse it. The matter would then go to the procurator fiscal and the fixed penalty notice could be challenged in court. We need transparency and a consistent approach from local authority to local authority to how the measures are applied. However, I strike a note of caution to those who call for an overall process of appeal.

I have not been able to go through all members' very valuable points, but we will consider them as we move forward with the bill. I want to finish with this point: our staff in the FSA in Aberdeen do a fantastic job for us. I am very proud of the job that they have done over a number of years. This has been a difficult time for them, with the uncertainty of moving to a new body. I am sure that all members will want Parliament to send out a clear message that we value their work and that, as we move towards establishing food standards Scotland, we will make sure that they will be able to continue to undertake that valuable work.

Food (Scotland) Bill: Financial Resolution

17:01

The Presiding Officer (Tricia Marwick): The next item of business is consideration of motion S4M-10555, in the name of John Swinney, on the financial resolution to the Food (Scotland) Bill.

Motion moved,

That the Parliament, for the purposes of any Act of the Scottish Parliament resulting from the Food (Scotland) Bill, agrees to—

(a) any expenditure of a kind referred to in Rule 9.12.3(b) of the Parliament's Standing Orders arising in consequence of the Act, and

(b) any charge or payment in relation to which Rule 9.12.4 of the Standing Orders applies arising in consequence of the Act.—[*Michael Matheson.*]

The Presiding Officer: The question on the motion will be put at decision time.

Decision Time

17:01

The Presiding Officer (Tricia Marwick): There are two questions to be put as a result of today's business. The first question is, that motion S4M-11048, in the name of Michael Matheson, on the Food (Scotland) Bill, be agreed to.

Motion agreed to,

That the Parliament agrees to the general principles of the Food (Scotland) Bill.

The Presiding Officer: The next question is, that motion S4M-10555, in the name of John Swinney, on the financial resolution to the Food (Scotland) Bill, be agreed to.

Motion agreed to,

That the Parliament, for the purposes of any Act of the Scottish Parliament resulting from the Food (Scotland) Bill, agrees to—

(a) any expenditure of a kind referred to in Rule 9.12.3(b) of the Parliament's Standing Orders arising in consequence of the Act, and

(b) any charge or payment in relation to which Rule 9.12.4 of the Standing Orders applies arising in consequence of the Act.

Meeting closed at 17:01.

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