



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

MEETING OF THE PARLIAMENT

Wednesday 11 March 2015

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Scottish Parliament

Wednesday 11 March 2015

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

Portfolio Question Time

Culture, Europe and External Affairs

The Deputy Presiding Officer (John Scott): Good afternoon, everyone. The first item of business is portfolio questions. In order to get in as many people as possible, I would be grateful for short questions and answers.

Jewish Culture (Support)

1. Bob Doris (Glasgow) (SNP): To ask the Scottish Government how it seeks to support Jewish culture in Scotland. (S4O-04094)

The Minister for Europe and International Development (Humza Yousaf): The Scottish Government recognises and values Scotland's Jewish communities and the contribution that they make to our nation. Most recently, we provided £10,500 to the Scottish Council of Jewish Communities to continue its being Jewish in Scotland project, which explores how attitudes to being Jewish in Scotland have changed over the past year. That money is on top of the £21,750 that was provided in 2011-12 to create a picture of contemporary Jewish life in Scotland.

The Scottish Government also supports, as the member will know, the annual commemoration of Holocaust memorial day through a grant to Interfaith Scotland. On 27 January, the First Minister attended the 2015 national Scottish Holocaust memorial day in Ayr.

Bob Doris: Does the minister agree that the celebration of Jewish culture is an expression of the tolerant and inclusive Scotland that we all want to nurture? Will he take this opportunity to pay tribute to our Jewish communities, which have contributed to Scottish society, and to express our solidarity with them at a time of heightened anxiety due to the increase in anti-Semitic abuse and attacks?

Humza Yousaf: I thank the member for raising that important point. We stand absolutely shoulder to shoulder with the Jewish community here in Scotland, whose contribution is vast. We all know that it has contributed to our economy and our education sector; its contribution has also been social and cultural. We should celebrate that, and all of us across the chamber, regardless which

party we belong to, have a duty to stamp out anti-Semitism wherever it exists.

On the attacks, although there is a lot more work to be done, I am pleased to note that there has been a 15 per cent decrease in anti-Semitic incidents, which is a 35 per cent decrease from the year before. However, there is a heck of a lot to be done. *[Humza Yousaf has corrected this contribution. See end of report.]*

My final point is that, at a time of inflamed rhetoric around immigration and migration, it is important that all of us stand with a united voice to say that those who seek to divide us should not be allowed to do so—not now; not in the future.

Anne McTaggart (Glasgow) (Lab): How does the minister seek to support the Jewish culture in the education system?

Humza Yousaf: Religious education is a matter for local authorities. However, there should be as much exchange of information as possible. An important part of school when I was there was to learn from Jewish pupils and those from the community directly. I know that the Scottish Council of Jewish Communities has programmes in which it goes into schools and community members speak about their different traditions.

I am more than happy to speak to the Cabinet Secretary for Education and Lifelong Learning to see what is going on and to provide the member with a fuller answer. However, the more that we can promote interaction among communities, the better.

Creative Scotland Project Support (Aberdeen and Aberdeenshire)

2. Richard Baker (North East Scotland) (Lab): To ask the Scottish Government what proportion of Creative Scotland's project funding was spent in Aberdeen and Aberdeenshire in the past year, and how many projects in Aberdeen received support. (S4O-04095)

The Cabinet Secretary for Culture, Europe and External Affairs (Fiona Hyslop): In 2013-14, Creative Scotland provided almost £1.8 million for 27 awards in the Aberdeen city area and almost £2.2 million for 30 awards in the Aberdeenshire area. That represents its total spend in those areas.

Creative Scotland has advised that it is not possible to identify the amount of funding that was project specific and to frame that as a proportion of total project spend.

Projects supported include the youth music initiative, as well as support for artists and cultural venues, including Aberdeen Performing Arts and North East Arts Touring, which works in Aberdeenshire. More recently, Creative Scotland

awarded £130,000 to the sound festival, which is based in Aberdeen, for its work in 2015 and 2016.

Richard Baker: Independent analysis carried out by members of the arts community in the north-east shows that Creative Scotland's per capita spend is less than £10 in Aberdeen but more than £50 in Edinburgh and Glasgow.

Does the minister agree that the figures show that Creative Scotland should be doing more to support the arts in Aberdeen and the wider north-east, particularly when there are many exciting projects to support, such as the youth festival and the sound festival, which the minister mentioned, as well as the work of our theatres? What will she do to ensure that there is more investment in the arts in the north-east?

Fiona Hyslop: In 2013-14, Aberdeen city ranked 14th for investment per head of population, which is mid-table; Aberdeenshire was 13th. I have not seen the analysis that the member referred to, but it probably reflects the funding for the national performing companies and collections that are based in Edinburgh and Glasgow. Four of the five national performing companies are based in Glasgow.

When the Scottish Cabinet met in Aberdeen, I met representatives from Aberdeen Performing Arts and I am delighted that it is receiving regular funding, which is a major achievement for that cultural body. We discussed the importance of the companies, particularly in providing support through performance. Of course, they already do that, but Aberdeen Performing Arts did it during the fantastic renovation of the music hall, which was also funded through Scottish Government public bodies and agencies, including Historic Scotland.

I recognise that there might be a disparity in funding but that is because of the national performing companies. It is also precisely why the Government insists that, as part of its relationship with the national performing companies, they should perform, as they regularly do, in Aberdeen. That will not appear in the figures in the report that Richard Baker has cited.

Film and Television Studio

3. Hanzala Malik (Glasgow) (Lab): To ask the Scottish Government when it plans to announce details of a new film and TV studio in Scotland. (S4O-04096)

The Cabinet Secretary for Culture, Europe and External Affairs (Fiona Hyslop): As I stated at my evidence session at the Economy, Energy and Tourism Committee on Wednesday 4 February, Scottish Enterprise has received a new proposal to provide studio infrastructure for Scotland. That proposal is subject to due diligence

and is commercial in confidence at present. However, I anticipate being able to confirm whether the proposal is viable in April 2015.

Hanzala Malik: I am grateful that there is some movement. Considering that the issue has been going on for some years now with no visible progress, will the minister assure me that the Scottish Government and the Scottish film studio delivery group are taking all necessary steps to ensure the creation of a Scottish film studio? When will we see real progress on the Glasgow site?

Fiona Hyslop: On the point about Glasgow, I refer the member to my evidence in which I set out quite clearly that, in terms of propositions, we cannot have a private sector tender when Glasgow's response was specifically for a 100 per cent publicly funded studio. However, I recognise the skills and existing infrastructure in Glasgow, and I have tasked the film studio delivery group with looking at different options further to the one that has been provided. That relies on business coming through the door, the economy and any opportunities.

When "Outlander" starts to be broadcast in the United Kingdom, people will see the importance of the film industry and the investment that it can bring. We recognise that more can be done, but we already invest a record amount in the film industry that is far more than the previous Administration did. There is huge potential in the industry, and I reaffirm to the member my and the Government's commitment to the sector.

Stewart Maxwell (West Scotland) (SNP): I was interested to hear Hanzala Malik's comments about progress. Could the cabinet secretary outline the current level of Scottish public sector investment in the screen sector and how it compares with that of 2007-08?

Fiona Hyslop: The current proposal is to support the sector with £21 million; the previous Administration invested far less than that. Creative Scotland invests £8 million in the screen sector. Prior to that, I think that the figure was approximately £3 million, so there has been a big increase in direct film subsidy. The total for the film and television sector as a whole is £21 million, which is considerable. The investment is not just in film but in television; in focusing on the film sector, it is important that we do not forget the television sector.

European Commission (Discussions)

4. Alison Johnstone (Lothian) (Green): To ask the Scottish Government what recent discussions it has had with representatives of the European Commission. (S4O-04097)

The Minister for Europe and International Development (Humza Yousaf): Scottish Government ministers and officials regularly meet the European Commission to advance the Government's agenda across a range of portfolios. For example, I met officials from the Commission's trade directorate-general on 19 February for a factual briefing on trade policy that covered a range of issues, including the transatlantic trade and investment partnership.

Alison Johnstone: I will indeed ask about TTIP. The deal risks much more than public services such as the national health service. Yesterday, Westminster's Environmental Audit Committee pointed out that 1,300 cosmetic chemicals are restricted in Europe, compared with 11 in the US. Does the minister agree that TTIP will weaken our environmental and public health protections, and will he write to the Commission and United Kingdom ministers to voice opposition before the negotiations enter their ninth round, in April?

Humza Yousaf: I appreciate Alison Johnstone's concerns about TTIP, many of which this Government shares. The First Minister wrote to the Prime Minister to outline a number of those concerns, including concerns about the NHS and public services, which Alison Johnstone mentioned, as well as investor-state dispute settlement and the transparency of the negotiations. As Alison Johnstone rightly suggested, we want to maintain standards, not lower them.

We have had assurances, but it is difficult to oppose TTIP without seeing a final agreement. We will continue to put forward all our concerns constructively. We have asked for specific things in TTIP, such as a black and white exemption for the NHS in the text of the agreement. The pledge on that was signed by members of the Cabinet and by the First Minister.

I am more than happy to meet Alison Johnstone. We have written to the Commission and the UK Government on these matters and I can get her copies of those letters and their responses, where appropriate. We certainly agree that TTIP or any agreement, if there is an agreement, must be about raising standards, not lowering them.

Claire Baker (Mid Scotland and Fife) (Lab): The minister may be aware of the Commission's proposed cuts to horizon 2020—a fund from which many Scottish universities benefit. What representations has the Scottish Government made on that?

Humza Yousaf: I am aware of the issue, which I recently raised with David Lidington, the UK Government's Minister for Europe. I mentioned

that, for exactly the reasons that Claire Baker raises, we would have serious concerns if any funds for President Juncker's investment package were taken from horizon 2020.

To put the issue in context, the money deducted from horizon 2020 is specifically for President Juncker's package. Universities should be able to benefit from that and I hope that in Scotland they will. We share the concerns, and there should be no further reduction in horizon 2020 funding.

Jamie McGrigor (Highlands and Islands) (Con): What discussions has the Scottish Government had with the European Commission about its proposed energy union? Does the minister agree that completion of such a union would help to integrate Scotland into a pan-European energy market?

Humza Yousaf: I am more than happy to give Jamie McGrigor copies of the correspondence and notes of the discussions that we have had, including the conversations that the cabinet secretary has had and any other conversations. We agree that there are potential benefits for Scotland, which is another good reason why Scotland most certainly should remain a member of the European Union.

Neil Findlay (Lothian) (Lab): In his discussions with the European Commission, did the minister raise the economic and political situation in Greece? Recently, the Greek people democratically elected a Government on a manifesto to oppose austerity, only for that Government to be immediately prevented from enacting that manifesto by the troika of the Commission, the International Monetary Fund and the European Central Bank. Why was there no protest from the Scottish Government or Governments across Europe about that democratic outrage?

Humza Yousaf: When the Greek Government was elected, I sent the Greek Prime Minister a message to congratulate him on getting his position, but I noticed that Ed Miliband did not make a single comment of congratulation to Syriza—he was hiding away.

Neil Findlay is more than well aware that, because of the recent referendum, our voice in the European Union is represented by the UK Government. I wish that we had a greater voice and I hope that Neil Findlay will support us in our discussions about the Smith commission, so that Scotland can have a voice and be a counterbalance. He is correct to allude to the fact that this Government is anti-austerity, unlike the party that he represents.

The Deputy Presiding Officer: Question 5, in the name of Jenny Marra, was not lodged, and a less than satisfactory explanation was provided.

Similarly, question 6 was not lodged, and a less than satisfactory explanation was provided.

Television Licence Fee Replacement

7. Stuart McMillan (West Scotland) (SNP): To ask the Scottish Government what its position is on the impact on devolved areas of responsibility of reported plans to replace the TV licence fee with a household tax. (S4O-04100)

The Cabinet Secretary for Culture, Europe and External Affairs (Fiona Hyslop): There are no plans to replace the television licence fee with a household tax in the context of the renewal of the BBC's royal charter on 1 January 2017. However, on Thursday 26 February, the House of Commons Select Committee on Culture, Media and Sport published its report "Future of the BBC: Fourth Report of Session 2014-15", in which it stated:

"There currently appears to be no better alternative to funding the BBC in the near-term other than a hypothecated tax or the licence fee."

The report also looked at the possibility in the longer term of introducing a broadcasting levy that would apply to all households.

The director general of the BBC, Lord Hall of Birkenhead, indicated in a speech to BBC staff on Monday 2 March that he saw some merit in the idea of a broadcasting levy. Against a background in which annual funding for BBC Scotland will have fallen from £102 million to £86 million by the time the charter is renewed, the Scottish Government will be making the case for adequate resources, publicly funded, and for reflecting the £320 million that Scotland contributes through the licence fee to produce the high-quality programming that Scotland deserves, under any approach to funding.

Stuart McMillan: I recently conducted a survey in which 74 per cent of the 1,600 constituents who replied agreed that broadcasting should be devolved to this Parliament. Does the cabinet secretary agree with me and my constituents—bearing in mind her comments about the £320 million that Scotland contributes and the reduction in annual funding for BBC Scotland to £86 million—that such powers should be devolved so that we in this chamber can decide on any changes or alternatives to the TV licence fee and how that income is spent?

Fiona Hyslop: I agree with that. In our submission to the Smith commission, we made the case for the devolution of broadcasting, including the licence fee, as part of a coherent package of reforms on a devo-max model. It is disappointing—although it is not the first such disappointment—that the Smith commission outcome fell short. However, we will use the

formal consultative role for the Scottish Parliament that is proposed over the renewal of the BBC charter—as I am sure the Parliament will—to press the case for more production for and from Scotland.

Community Arts Groups (Rural South Scotland)

8. Claudia Beamish (South Scotland) (Lab): To ask the Scottish Government what support it has given to community arts groups across rural South Scotland in the last year. (S4O-04101)

The Cabinet Secretary for Culture, Europe and External Affairs (Fiona Hyslop): In 2013, Creative Scotland invested more than £3 million in 94 awards to artists and organisations in South Scotland. Those awards included support for the artistic programmes at the Boswell book festival, the Lammermuir festival and the Alchemy film festival.

In 2014-15, Creative Scotland awarded capital funding for Moat Brae in Dumfries and for the Ayr Gaiety theatre. Creative Scotland is also investing more than £500,000 from 2015 to 2018 in the Ayr Gaiety Partnership, the Stove Network and the Wigtown Festival Company as organisations with regular funding.

Claudia Beamish: Lanark memorial hall, which South Lanarkshire Leisure and Culture manages for South Lanarkshire Council, offered the use of its box office to a community group—Music in Lanark—to support its production of "Madame Butterfly". Although that model involved a relationship with the local authority, will the cabinet secretary consider providing funding to support such ventures to ensure that communities have access to excellent venues across South Scotland and beyond, the cost of which is often beyond groups' means?

Fiona Hyslop: Claudia Beamish makes an interesting point. Skills and experience can often be shared more widely in areas such as box office, back-room staffing and administration. That can allow a small amount to go an awful lot further, and I am interested in how that can help to build capacity. Our national companies could also provide such support, and we must look at the network of voluntary cultural work that takes place, which is the life-blood of many communities. I am sure that members will have seen the Lanark exhibition in the Parliament last week, and I commend the activities in that area.

2015 Edinburgh Festivals Expo Fund

9. Claire Baker (Mid Scotland and Fife) (Lab): To ask the Scottish Government how much funding is available for the 2015 Edinburgh

festivals expo fund and when the details will be announced. (S4O-04102)

The Cabinet Secretary for Culture, Europe and External Affairs (Fiona Hyslop): I was delighted to announce on 6 March further investment of £2.25 million to support the Edinburgh festivals through the Scottish Government Edinburgh festivals expo fund. Scottish Government expo fund investment has been transformative for the festivals and their artists. It helps to showcase them on an international platform, and we have only to look at the range of Scottish artists, including Don Paterson, Ali Smith and James Robertson, and Martin Creed with his work on the Scotsman steps, to identify some of the world-class art that is being undertaken here. The expo fund has made a major contribution to exporting and showcasing that Scottish cultural talent.

Claire Baker: Following the lodging of my question last week, the cabinet secretary helpfully made her announcement on Friday, which is welcome. How can we support festival programmes in other cities? Edinburgh's programme is unique and international, but how do we increase opportunities for other cities across Scotland?

Fiona Hyslop: The Edinburgh festivals contribute £250 million to the local economy and more widely. They are a cultural calling card not just for Edinburgh but for Scotland. However, the member rightly identifies the role of other festivals.

For example, Celtic Connections has regular funding from Creative Scotland, and I am delighted that the St Magnus international festival in Orkney has similar funding. There is similar support for other festivals, and it is important that new festivals can also get support, either from EventScotland or Creative Scotland.

There are avenues through which we already support festivals, but I am working with VisitScotland on how—with VisitScotland, EventScotland and Creative Scotland—we can make more of the wonderful all-year-round offer from the festivals throughout Scotland.

The Deputy Presiding Officer: Question 10, in the name of Cara Hilton, was not lodged and, disappointingly, no explanation has been given.

Infrastructure, Investment and Cities

Aberdeen City Deal

1. Lewis Macdonald (North East Scotland) (Lab): To ask the Scottish Government how it plans to contribute to the proposed city deal for Aberdeen. (S4O-04104)

The Cabinet Secretary for Infrastructure, Investment and Cities (Keith Brown): We are always happy to consider new proposals and ideas to stimulate economic growth. We are working with Aberdeen City Council and Aberdeenshire Council to establish the detail of what a city deal for their region is intended to deliver. We remain absolutely committed to working with all our cities to unlock investment, whether for them individually or collectively.

Lewis Macdonald: I thank Keith Brown for that positive response. He will be aware, of course, that the city deal proposal that was published this week emphasises the need for improvements to rail infrastructure north and south of the city of Aberdeen. Does he agree that dualling the stretch of single-track railway line at Montrose would strongly support the city deal proposals by linking an enhanced rail network around Aberdeen with the central belt? If he does agree that that would be significant, can he tell us when the Government will make a decision on whether or not such an improvement should be included in its instructions to Network Rail for control period 6, which starts in 2019?

Keith Brown: I think that we all recognise—it has been recognised for a number of years now—the constraint that the Montrose Basin presents in relation to that proposal, which would be a very substantial project in its own right.

Having received the city deal just this week, it is only right that we take some time to look at it—as you would expect us to do—to see where we can possibly work together and what we can support in relation to what is represented.

However, whether the Montrose Basin features in control period 6 will be a matter for discussion between me, the Minister for Transport and Islands and officials. I recognise that the suggestion is a long-standing ambition for people. It is also one of the ways in which we could achieve a substantial difference in capacity on that line and in journey speeds. Of course, it is something that we wish to do at the earliest opportunity, but it will have to be set beside other priorities. A decision on that will be taken in due course.

Alison McInnes (North East Scotland) (LD): As we would expect from a programme that was developed and championed by Liberal Democrats in the United Kingdom Government, city deals are designed to give local bodies greater control over spending and decision making. After years of centralisation by the Scottish National Party Government, does the cabinet secretary consider that this is an opportunity to start to reverse that unwelcome trend and to initiate the transfer of powers from the Scottish Government back to local communities?

Keith Brown: I certainly remember that I, as a council leader, had to spend a very substantial chunk of our budget on priorities that were set by the then Liberal Executive, back in the period between 1999 and 2007. The biggest move towards decentralisation was the lifting, by this SNP Government, of hypothecated expenditure. That is a substantial move towards decentralisation that undermines Alison McInnes's claim to be in favour of decentralisation.

We have done a great deal to make sure that councils can spend according to their own priorities. Of course, I accept that there have been constraints—not least those that have been imposed by the Government in Westminster that Alison McInnes supports. We have a smaller cake to distribute, but we have looked after local government and we will take a positive approach to what we have been presented with by Aberdeen City Council and Aberdeenshire Council in relation to the city deal. However, we first have to take some time to look at the deal.

Rail Investment Plans (South Scotland)

2. Jim Hume (South Scotland) (LD): To ask the Scottish Government what rail investment plans it has for South Scotland. (S4O-04105)

The Minister for Transport and Islands (Derek Mackay): Over the next five years, the Scottish Government is investing £5 billion across the Scottish rail network, including in South Scotland, with service improvements in Dumfries and Galloway, the introduction of great scenic railways on three lines, and an investment of £353 million in the Borders railway, which will re-establish passenger railway services between Edinburgh, Midlothian and the Scottish Borders for the first time since 1969.

Jim Hume: Given the support that the Borders rail project has received in the recent past from the minister, the former First Minister and VisitScotland, which called it “a tourism magnet”, does he agree with me and local campaigners that the Scottish Government should now take the chance to build on the work of the Lib Dems in coalition in passing the Waverley Railway (Scotland) Act 2006, and commission a feasibility study into extending the line on to Hawick and beyond to Carlisle for the economic benefits that that would bring to even more communities in the Borders?

Derek Mackay: It appears to me that the Liberal Democrats think that they are at the moment living in some sort of parallel universe where their popularity is soaring.

We can all work together across the chamber on good projects; the Borders railway is a good

example and people from across the political spectrum have supported that project.

We have said it before and will say it again: we will judge the line's success and then make judgments on how it may be extended in the future. However, if the success of rail is anything to go by—it has exceeded forecasts—the line has a strong future in the transport mix. I am sure that the Borders railway will be a success. We will continue to invest in expansion of our railways and will make all future judgments based on performance.

ScotRail Franchise (Handover)

3. Clare Adamson (Central Scotland) (SNP): To ask the Scottish Government what progress is being made with the handover of the ScotRail franchise. (S4O-04106)

The Minister for Transport and Islands (Derek Mackay): Significant progress continues to be made towards the handover of the ScotRail franchise to Abellio on 1 April. We expect the new franchise to build on the success of ScotRail and to add for passengers more quality and efficiency improvements to our rail network. In addition to the improvement commitments that have been secured, we are encouraged by the progress on the deep alliance with Network Rail, which will improve partnership working on the railways in order to improve passenger experiences.

Clare Adamson: The minister mentioned benefits to passengers. Will he confirm that rail fares will not be subject to above-inflation increases under the new franchise?

Derek Mackay: Yes. We have secured a fares arrangement that will ensure that peak fares are capped at the level of the retail prices index, and that off-peak fares are capped at RPI less 1 per cent. We will also have a club 50 smart card and reduced travel costs for jobseekers and newly employed people.

That fares policy is in addition to the station improvements, new trains, better digital infrastructure, smart ticketing, integrated transport, the great scenic railways, protection for staff under the Transfer of Undertakings (Protection of Employment) Regulations and improved journey times. That seems to me to be the best deal that was possible and it was secured by this SNP Government and the Cabinet Secretary for Infrastructure, Investment and Cities.

The Deputy Presiding Officer: I have a huge number of requests for supplementary questions.

Dr Richard Simpson (Mid Scotland and Fife) (Lab): One of ScotRail's attendants told me that they will issue clogs on 1 April. I am sure that that is not true. [Laughter.]

We all hope that the transfer of the franchise progresses well, but I remind the minister of the current overcrowding at peak times on the Dunblane and Alloa routes from Glasgow and Edinburgh, and the record number of fines for reduced coach numbers that were achieved under the current ScotRail franchise. Will he undertake to provide further information on the reduction in the number of coaches on the trains to Dunblane and Alloa that I am told is projected will take place when the route to the Borders opens?

Derek Mackay: I am happy to look further at the detailed information, but overall there will be no reduction in capacity. In fact, we want to achieve greater capacity for passenger numbers through procurement of new trains, which I will discuss with the chief executive of Abellio later today.

I will also assess the new information that we will have; we will be able to assess capacity, numbers and overcrowding. That will inform further investment in, and management of, the rolling stock and should helpfully show us where further resources need to be deployed in partnership with Abellio. I will be happy to share that information with Richard Simpson in due course.

Alex Fergusson (Galloway and West Dumfries) (Con): The minister has been extremely helpful in trying to persuade Abellio to improve the train services that the company offers my constituents in Stranraer and Wigtownshire. The reintroduction of the early-morning direct train is welcome, but might the minister be able to persuade Abellio to include a direct service between Stranraer and Glasgow on Sundays? That would help to give my constituents the impression that they have a meaningful service that is geared to their needs rather than that they are something of an afterthought in the negotiations.

Derek Mackay: I thank Alex Fergusson for recognising the effort that I have put into trying to improve the service to and from Stranraer. That takes me to a point around consultation between the operator and communities. We should consult not only the existing travelling public and rail passengers, but more widely with transport partnerships, local authorities and potential rail users. If we were to do that, we could helpfully shape services that people want.

I have worked quite hard on improving services between Stranraer and Glasgow; there will be an improved service with better journey times and improved connections, and that direct service is being restored as part of the current-priced model. I am not sure whether we can push much further on a cost-neutral basis, but I am happy to look into the Sunday service option that was suggested by Alex Fergusson.

John Wilson (Central Scotland) (Ind): I welcome the minister's comments about discussions with Abellio. Can he give us some assurances that rolling stock will not be affected? As far as I am aware, the rolling stock that Abellio has promised will not be in place until 2017. Can the quality and the age of the carriages that passengers are being asked to use be improved prior to that date?

Derek Mackay: We will work closely with Abellio, through Transport Scotland, in relation to new and existing stock. I can give the assurance that, on handover, there are sufficient trains to provide the service that is proposed. However, surely we have to welcome the multimillion-pound investment that will bring new electric trains to the network on our newly electrified lines. That will ensure better journey times, improved services and better passenger experience, and will have massive environmental benefits in terms of emissions.

We will welcome the new fleet, which will be deployed from 2017 onwards in a managed way and will significantly enhance the rolling stock that we have. Furthermore, the deal that we have produced gives the Scottish Government the option to retain the trains, which is a novel approach in procurement of rail stock in Scotland.

Future Transport Fund (Active Travel)

4. Colin Beattie (Midlothian North and Musselburgh) (SNP): To ask the Scottish Government what investment will be made in active travel using the future transport fund. (S4O-04107)

The Minister for Transport and Islands (Derek Mackay): The budget for the future transport fund in 2015-16 is £20.25 million. Decisions on the allocations, including to active travel, are still to be taken. An announcement will be made in due course.

Colin Beattie: The minister will be aware of the Borders railway project, which goes through my constituency. Can he outline the ways in which active travel will be promoted through the railway?

Derek Mackay: We will work closely with Abellio, which has experience of active travel—and cycling, of course—to bring some of that expertise to Scotland. In the new franchise, based on the contract there will be enhanced capacity, more bike schemes at local stations and better information on integrated transport. However, through a range of various funds, including the future transport fund, I hope to be extremely supportive of cycling and active travel. I will make spending announcements in due course.

Charrette Process (Development of Cities)

5. Patricia Ferguson (Glasgow Maryhill and Springburn) (Lab): To ask the Scottish Government whether it considers the charrette process an effective means of investing in the development of cities and what support accompanies it. (S4O-04108)

The Minister for Local Government and Community Empowerment (Marco Biagi): Charrettes provide opportunities for local people and public and private sector bodies to participate collaboratively in decisions relating to their communities.

We believe that the charrette process is an effective and efficient means of investing in the development of Scotland's cities, towns and rural areas. Since 2011, we have allocated grants and provided advice to support the delivery of 31 charrettes across Scotland, including seven in our cities.

Patricia Ferguson: I thank the minister for that information, and I agree with him in his assessment of it. As he knows, two very well-attended and ambitious charrettes have recently been held in my constituency. Local groups and organisations as well as many individuals and agencies worked together very well to develop a series of coherent and dynamic ideas that will help to shape the future of Speirs Wharf and Hamiltonhill and that have the potential to be transformational for those communities.

Will the Scottish Government invest in the opportunities that are identified through the charrette process?

Marco Biagi: I was at the Woodside, Firhill and Hamiltonhill charrette on its final day, and I saw the inputs from the collaborative process. I was very impressed by the level of vision, but also by the connection with some ideas that people just sitting in offices behind their desks might not have been able to come up with.

The two charrettes were set up as local development plan charrettes. Their aim was to create supplementary guidance for the council, as part of the overall regeneration of those areas. That is something that the Scottish Government will be keen to participate in. It is fair to say that the best charrettes occur where there is a desire to regenerate, some resource behind it and some movement taking place, so that a vision can be devised that people and agencies can then put into place.

Speed Limits on Trunk Roads (Highlands and Islands)

6. Jamie McGrigor (Highlands and Islands) (Con): To ask the Scottish Government what

plans it has to alter speed limits on trunk roads in the Highlands and Islands. (S4O-04109)

The Minister for Transport and Islands (Derek Mackay): We have recently updated the findings of the speed limit review, and we remain committed to improving safety on our network by delivering speed limit reductions where they are justified, as part of our wider programme of road safety measures. The updated findings of the review support our decision not to progress with proposed speed limit reductions in five locations across the network, including two on the A87, two on the A95 and one on the A84.

We will continue to engage with communities in promoting road safety across Scotland, and we welcome the comments and responses received in the course of this engagement. I have given a fuller response in a parliamentary answer on 6 March regarding matters of process.

Jamie McGrigor: I have been contacted by a number of Argyll constituents, including local businesspeople, who are opposed to Transport Scotland's proposal to reduce the speed limit on the A83 trunk road between Tarbert and Ardrishaig to 50mph. Local businesses have expressed the view that the proposed reduction is not based on concrete evidence that it will reduce accidents and that instead it will increase driver frustration while slowing down journey times and reducing the area's economic competitiveness.

Surely an improvement to and widening of parts of this narrow road would be a more effective solution. Will the minister undertake to look into this issue and address the concerns of Argyll residents and businesses?

Derek Mackay: Yes, of course; I will consider the matter closely. That is exactly why, when other members have raised the proposed speed limit reductions, I have had a look at the data and the case to ensure that the change is justified. That just goes to show that, with the level of engagement and consultation that we have had, sometimes we can change our minds if the case is made.

Safety will be paramount in all of this. We will have the speed limit that is appropriate to the circumstances and that the geography and the topography allow.

On resources, of course we will want to address more of the road network in terms of additionality to the commitments that we have made. However, it would have been so much better had our capital budgets not been reduced as a consequence of the decisions of the Conservative Party, of which Mr McGrigor is a member.

David Stewart (Highlands and Islands) (Lab): Does the minister share my view that the heavy

goods vehicle 50mph pilot on the A9 has been an excellent initiative? Has there been any early feedback from the police, hauliers and road safety organisations on how effective the pilot has been in practice?

Derek Mackay: All the evidence that we have to date is that the package of measures on the A9 has been a success. The package is a mixture of average-speed cameras, changes to the speed limits and a wider campaign on driver behaviour. Because of those measures, excess speed and average speed are down. When, in the fullness of time, we look at the number of road incidents as well, we can make a further judgment.

The HGV speed limit, as part of that package, seems to be a success and it has been welcomed by all the partners involved. There is a wider issue of changes south of the border, and we will take an evidence-based approach on whether that is relevant here. It strikes me that it is part of the package of measures on the A9 that has worked, but that does not necessarily mean that it should be deployed across the country.

Glasgow and Clyde Valley City Deal

7. Stewart Maxwell (West Scotland) (SNP): To ask the Scottish Government what recent discussions it has had with local authorities regarding the Glasgow and Clyde valley city deal. (S4O-04110)

The Cabinet Secretary for Infrastructure, Investment and Cities (Keith Brown): In August 2014, the Scottish Government agreed to contribute £0.5 billion over 20 years to support a deal for Glasgow and the Clyde valley that empowers the Glasgow and Clyde valley partners to identify, manage and deliver projects that will stimulate economic growth and create jobs in their area.

The Glasgow and Clyde valley partners are developing an assurance framework that will ensure that their investment decisions are based on sound business cases and that projects are delivered effectively. The assurance framework will respect local decision making and must be approved by United Kingdom and Scottish Government ministers before any funding is released. Officials continue to work closely with the Glasgow and Clyde valley partners and the UK Government to finalise the assurance framework.

Stewart Maxwell: How will the Glasgow and Clyde valley city deal ensure that the benefits that are derived from economic growth are spread across not just Glasgow but the entire Clyde valley region, including the most deprived areas?

Keith Brown: The terms of the deal are clear. It empowers the Glasgow and Clyde valley partners to identify, manage and deliver projects that will

stimulate economic growth and create jobs in their area. It also specifically states that it will

“Spread the benefits of economic growth across Glasgow and Clyde Valley, ensuring deprived areas benefit from this growth.”

The Scottish and UK Governments have been working with Glasgow City Council and its partners on the development of the assurance framework, which will ensure that investment decisions that are taken by Glasgow City Council and the Clyde valley partners are based on sound business cases and that projects are delivered effectively.

Scotland's Economy

The Deputy Presiding Officer (John Scott):

The next item of business is a debate on motion S4M-12591, in the name of Jackie Baillie, on supporting Scotland's economy.

14:41

Jackie Baillie (Dumbarton) (Lab): I welcome the opportunity to open the debate on behalf of the Labour Party. Just this morning, the much-anticipated "Government Expenditure and Revenue Scotland" account for 2013-14 was published. The GERS report sets out how much we spend in Scotland and how much we raise in any given year. In effect, it is the balance sheet for public finances, and it is a hugely important measure of the nation's financial health.

I will consider the numbers in a minute, but let me first set the context. As we approach the general election, the people of Scotland are being asked to make a choice between two competing visions of devolution while remaining in the United Kingdom. This is not about the past or the referendum; it is about our future.

On the one hand, Scottish Labour's vision is of a powerhouse Parliament with more control over taxation and welfare, together with the continuation of the Barnett bonus providing stable spending for our public services, such as schools and the national health service, and the retention of the United Kingdom-wide pension system, which millions of Scots have paid into over the years and which almost 80 per cent want to remain paid on a UK basis.

On the other hand, we have the Scottish National Party's plan for full fiscal autonomy. That means that Scotland would raise all its own taxes to cover its expenditure. When Alex Salmond was the First Minister, he supported full fiscal autonomy, and he had this to say about what it meant:

"Home rule is control of all domestic affairs and taxation. Reserved to Westminster would be foreign affairs and defence."

Nicola Sturgeon, as the new First Minister, agreed with him. In an interview with Andrew Marr in late January, she confirmed that and said:

"I want full fiscal autonomy for the Scottish Parliament."

There we have it: that is SNP policy and that is what it will go into the general election advocating—full fiscal autonomy within the United Kingdom. The Scottish Parliament would collect all the taxes, it would be responsible for all the spending, including on pensions and welfare, and it would make payments to the United Kingdom for reserved areas such as defence and foreign

affairs. The Scottish Government would also have new borrowing powers, which it would need to make up any deficit.

The choice is therefore between Labour's approach of guaranteeing new powers for the Parliament with the advantage of the Barnett bonus, and the SNP's approach of full fiscal autonomy, under which we would raise all our money and would not have any share in the resources of the United Kingdom.

Mike MacKenzie (Highlands and Islands) (SNP): Does the member agree that, given that Labour members of Parliament marched through the lobbies to vote for austerity, what Labour advocates is continuing—in fact, more—austerity for Scotland?

Jackie Baillie: I have never heard such utter nonsense. Labour does not support Tory austerity. We voted to balance the budget. John Swinney sets great store by balancing the budget. Last week, however, SNP MPs sat on their hands and refused to back a motion that would end Tory austerity, so I will take no lessons from the SNP on the issue.

Let me illustrate the numbers to show what the choice means in reality. "Government Expenditure and Revenue Scotland" tells us that Scotland spends more per head than the UK average—in fact, we spend about £6 billion a year more. Overall, we raise less in tax revenue than the rest of the UK, and the tax shortfall this year is of the order of £2 billion. Scotland's fiscal gap—our relative deficit—is £8 billion. We would need to find £8 billion a year to get to the same place as the UK's public finances. That is widely accepted by economists, and the Institute for Fiscal Studies and Brian Ashcroft have confirmed it today.

Under full fiscal autonomy, we would need to raise enough money to plug the gap just to match the UK deficit. Of course, we have oil, which is incredibly important to our economy and to our public spending. The oil and gas industry is a Scottish success story, and the revenues that we have gained have been a real bonus to our public services. There is no doubt, however, that times are tough. We have experienced volatility and a decline in revenues. GERS 2012-13 told us that the revenue from oil had dropped to £4 billion. This year, GERS shows that we are running a deficit of £12 billion a year, which is unsustainably high. This is a sombre day for Scotland.

The First Minister noted that the deficit is down on last year, and indeed it is. However, in noting that, she is taking credit for Tory austerity cuts. Taxes have gone down and the deficit has been cut only because of a cut in spending: tartan Tories, indeed.

Mr Swinney needs to stop saying that we pay an extra £400 per head without mentioning that in fact we spend £1,200 more per head—a deficit of £800 per person. I ask him please to stop spinning and to give us both sides of the balance sheet.

That is all before any account is taken of the recent dramatic fall in the oil price. It is worth reminding ourselves that the SNP's forecast for oil revenue was based on the price being \$113 a barrel, but it dropped to below \$50 a barrel in the new year. That is a huge loss of revenue. It is a blow to our economy and to our public finances, never mind that thousands of jobs are already lost from the sector.

For 2014-15, due to that drop in oil price and the continuing downward trend in revenues, the expectation is that we will have a £6 billion black hole in our budget. That is a staggering amount by anybody's reckoning. Let me put it in perspective: £6 billion is half our national health service budget and is more than the entirety of the schools budget. To balance the books, we would need either to make swingeing cuts or to increase taxes. That would mean households paying an average of £2,400 per year extra just to stand still. That is what full fiscal autonomy means for Scotland.

We all—aside from those on the Tory benches opposite, of course—condemn Tory austerity plans, and rightly so, because they would take public spending levels back to those of the 1930s, when we had no NHS and when children left school at 14.

What we would get from the SNP's proposals is austerity max. The SNP would take the Tory austerity cuts—[*Laughter.*] SNP members may laugh, but this is what the economists are saying. SNP members would take the Tory austerity cuts and would more than double them under full fiscal autonomy. That is the economics of the madhouse. People genuinely do not understand why the SNP would do that.

We should not worry, however, because the SNP has another plan: it is going to grow the economy to plug the gap. I am all in favour of growing the economy, but SNP members cannot seriously be suggesting that that will plug the £6 billion gap in revenues in the short term. We would need the equivalent of 12 years' economic growth squeezed into four years—a growth rate that would be higher than China's was in its heyday and not something that any developed country has achieved. I am all for ambition, but it needs to be rooted in just a little bit of reality. I ask SNP members not to insult our intelligence, please.

If he is trying to get us to swallow such nonsense, Mr Swinney will be in danger of losing his alleged reputation for competence. The growth that he assumes is just not possible in the period

necessary and will not fill the black hole at the heart of his budget.

The consistent refrain from Mr Swinney and his back benchers in their press releases is that I am somehow talking Scotland down. Nothing could be further from the truth; I am proud of my country and our people. The fact is that the SNP will actually do Scotland in and do us all a disservice if it does not face up to reality.

People expect us to be honest about the nation's finances, and they expect us to balance the books. Indeed, Mr Swinney is always keen to tell us how well he balances them, but the reality is that in the past he has had to balance only one side of them. The money that he spends comes from the UK Government as a consequence of the Barnett formula. However, with full fiscal autonomy, Barnett ends, and he will not be able to balance the books if there is a £6 billion black hole at the heart of his budget.

While households across the country are making tough decisions about what they can afford to do, the SNP Government is burying its head in the sand and engaging in fantasy finances. John Swinney is not only sacrificing his reputation for competence at the altar of the SNP's obsession with full fiscal autonomy but abandoning the logic and reason that he normally brings to proceedings, and I suspect that he is embarrassed by that. I predict that, in the absence of detail, we will see a windmill display with lots of arm waving followed by some finger pointing and shouting at the Opposition benches. We will have noise and distraction instead of detail, but the fact is that, no matter the attempts to create a diversion, there is no escaping reality. The SNP response is truly desperate stuff.

However, there is more. On 3 March, the SNP published an economic analysis that showed that, with an increase in factor productivity and investment and by boosting export targets by 50 per cent, we would raise £2.8 billion in additional tax income in 10 years. Six days later, it published another document that was remarkably similar to the first. It, too, was an economic analysis, but this one said that £3.5 billion would be raised over 10 years. It is remarkable what a difference six days can make. Suddenly the tax gain has increased by £700 million. If we waited another six days, would it increase by £1.4 billion? I am just wondering; I am happy to wait patiently for an answer if the money increases by the day.

Some of the assumptions are frankly heroic. How can the Scottish Government expect exports to grow by 50 per cent when oil and gas, which represent one of our biggest exports, are declining? The economics are fascinating. Even if I am generous to the SNP, which I am always inclined to be, and go along with all its figures,

there is still a gap between what we get from Barnett and what we would get from fiscal autonomy. With Barnett, we would get an additional £65 billion over 10 years compared with the £17 billion or so that we would get from full fiscal autonomy and Mr Swinney's growth figures over the same period. Where will the missing money come from? There will still have to be cuts or tax rises to fill the gap.

By the way, what is "full revenue retention"? Is it just full fiscal autonomy by another name? It sounds painful. We searched high and low for other countries that operated full revenue retention as a policy, and the chamber will be pleased to hear that we found one. However, it was not a country—it was the Canadian national parks. The fact that the Scottish Government is now modelling its financial policy on the Canadian national parks is interesting, but I suspect that what we are witnessing is an attempt to confuse. Full fiscal autonomy is clearly not testing well with the focus groups, so the SNP is ditching the name and calling the policy something else.

It does not matter how many times the name changes—the policy is still daft. Whether we are talking about full fiscal autonomy or full revenue retention, it means the loss of Barnett, the loss of UK pension funding and a black hole of £6 billion a year. It is probably better to call the policy full fiscal austerity, because that is precisely what it is.

Chic Brodie (South Scotland) (SNP): Will the member give way?

Jackie Baillie: No.

What the SNP wants is full fiscal autonomy and Barnett, but it cannot have both. It is the old SNP—

Mike MacKenzie: Will the member give way?

Jackie Baillie: I have already taken an intervention from Mike MacKenzie.

It is really the old SNP notion that somehow people can stop paying into the kitty, but the kitty will still pay out to them. That does not happen in real life or in government, and John Swinney knows it.

I am genuinely surprised that John Swinney is backing a policy that lacks credibility. I can only assume that he has not convinced the former First Minister or the current First Minister that the policy is wrong. He parades round the Parliament like a peacock, but in Cabinet he ends up being a chicken.

Much of Labour's policy offer in recent weeks has come about because of the Barnett bonus. Let us take the mansion tax as an example. We would spend £120 million extra on 1,000 nurses.

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

Jackie Baillie: Pension tax relief of £200 million would deliver the future fund for 18 and 19-year-olds and better bursaries. That would not happen with the SNP's full fiscal autonomy.

In short, the SNP's plans for full fiscal autonomy within the UK strip billions of pounds from our budget. There is no escaping that; it is a fact. Voting SNP at the general election will get austerity max: cuts to services or higher taxes, or a combination of both.

Scottish Labour has a better plan. Our plan will deliver major new powers to the Parliament, but retain the security of the Barnett bonus to protect our schools and our NHS.

That is the choice on 7 May, and the people of Scotland will choose wisely.

I move,

That the Parliament believes that full fiscal autonomy within the UK would have an immediate and detrimental impact on Scotland's economy, particularly in light of this week's Government Expenditure and Revenue Scotland report; recognises that it would mean that Scotland would lose out on billions of pounds for public services, such as the NHS and schools, through the consequent scrapping of the Barnett formula; further believes that this would cut Scotland off from sharing in the wealth and resources of the UK, and calls on the Scottish Government to affirm that it would be better to retain the Barnett bonus than to have full fiscal autonomy within the UK.

The Deputy Presiding Officer: We are very tight for time. The Deputy First Minister has up to 10 minutes, please.

14:56

The Deputy First Minister and Cabinet Secretary for Finance, Constitution and Economy (John Swinney): I welcome this debate on Scotland's economy. The recovery in Scotland's economy is now well established, as I have set out to Parliament in recent weeks. We have seen more than two years of continuous growth, and both output and employment are at record levels. Since the Government came to power in 2007, the value of Scottish international exports has increased by 40 per cent, business research and development spending has increased by 29 per cent, and the Scottish productivity rate has moved from being 6 per cent lower than that of the United Kingdom to sitting at approximately the same level.

The "Government Expenditure and Revenue Scotland" figures for 2013-14 confirm some key facts about the Scottish economy. First, they confirm that Scotland continues to pay more in revenues per head to the Treasury than the rest of the United Kingdom. The report demonstrates

that, in every one of the past 34 years, Scotland has raised more tax revenue per person than the rest of the United Kingdom.

Alex Johnstone (North East Scotland) (Con):

Do those figures include oil and gas? If they do, are the figures for the current year likely to show the same promise?

John Swinney: The figures include oil and gas. We will, of course, await the outcome of 2014-15 before we know the answer to Mr Johnstone's question.

In 2013-14, the tax revenue per person was £400 more than the UK average. Since 1999, total tax revenue per person in Scotland has been £12,000 higher than in the United Kingdom as a whole.

Jackie Baillie: Does the cabinet secretary accept that spending in 2013-14 was £1,200 per head higher than in the rest of the UK?

John Swinney: I will look at the rounded position in a second.

Secondly, the report confirms that the overall deficit in Scotland is reducing. From 2012-13 to 2013-14, the net fiscal balance fell from 9.7 per cent of gross domestic product to 8.1 per cent, despite lower oil revenues because of high levels of capital investment. That shows our continued economic strength.

Thirdly, the report shows for the first time the position of Scotland compared with other parts of the United Kingdom. Scotland pays more in revenues than anywhere except London, the south-east and the east of England.

Fourthly—this addresses the issue that Jackie Baillie raised—the report shows that in some years we have a stronger current budget balance than the UK as a whole and in some years it is lower and weaker. Scotland has been in a stronger position in two of the past five years—2010-11 and 2011-12. In three of the past six years, Scotland has been in a stronger position on balance than the rest of the United Kingdom. It is important to look at the pattern of those figures in a number of years and not at just one particular year.

The figures show that the fundamentals of our economy are strong. Scotland is, and continues to be, a wealthy country.

However, “Government Expenditure and Revenue Scotland” does not show what the position would be like if we could invest from the relatively stronger financial position that we have had in previous years to generate growth or reduce the debt, such as the £4.5 billion relative surplus over the United Kingdom in 2008-09 and the £1.6 billion relative surplus in 2011-12. Jackie

Baillie is absolutely right to say that it is important to look at the years when Scotland has had a stronger financial position than the rest of the United Kingdom; we should not concentrate just on the issues that the Labour Party tries to raise out of “Government Expenditure and Revenue Scotland” for 2012-13.

Ken Macintosh (Eastwood) (Lab): What does Mr Swinney mean when he uses the term “relative surplus”? Is he suggesting that we run a surplus, or do we actually run a deficit?

John Swinney: The term “relative surplus” is crystal clear. It means that we are in a stronger financial position than the rest of the United Kingdom in the years that we have mentioned. I would have thought that the meaning was crystal clear from what I said a moment ago. I said that there are some years when we have a stronger current budget balance than the United Kingdom as a whole and some years when we have a lower and weaker position. That is a simple proposition for the Labour Party to understand.

Ken Macintosh: On a point of order, Presiding Officer. *[Interruption.]*

The Deputy Presiding Officer: Come to the point, please.

Ken Macintosh: Thank you, Presiding Officer. In order for you to ensure that nobody inadvertently misleads the chamber, I say that the word “surplus” clearly implies that Scotland is—

Members: Relative surplus.

The Deputy Presiding Officer: Order. Let Mr Macintosh conclude, please.

Ken Macintosh: The term “surplus” clearly implies that we are not borrowing more than we spend, but that is not the case. We are running a deficit, so the term “relative surplus” means a deficit.

The Deputy Presiding Officer: That is not a point of order; indeed, it is spurious. Do continue, Mr Swinney.

John Swinney: We believe that the strong track record of the Scottish Government's economic policy making is proof that we are best placed to make the key decisions about Scotland's economic and social future. I believe that Scotland should be fully responsible for raising and spending all its own resources. That will ensure that we are better able to respond to the challenges and opportunities that Scotland faces.

Our policy is for the people of Scotland, not Westminster, to take the decisions on the issues that matter the most. The majority of people in Scotland support that. The powers involved include those over employers' and employees' national insurance contributions; those over

employment rights, including the national minimum wage; full powers over working-age benefits and employment policy; increased powers over aspects of immigration, such as post-study work visas; and powers over business taxes to enable us to create a stronger economic platform and to create jobs and tackle inequality.

Exercising those powers over time will enable the Scottish Government to take actions to improve our economy's performance, to improve the public finances and to reinvest the proceeds of faster economic growth in our public services.

Gavin Brown (Lothian) (Con): Does Mr Swinney accept that, in the short term, we would be financially worse off under full fiscal autonomy?

John Swinney: I have set out the fact that, by exercising responsibilities in accordance with the needs and priorities of the people of Scotland, we have the ability to achieve some of the improvements in economic performance that I have set out, such as increasing exports by 50 per cent or strengthening our productivity so that we can improve the Scottish economy's performance and generate the revenues that will enable the people of Scotland to prosper as a consequence.

At the heart of the debate is an issue that Jackie Baillie raised—the financial context in which we take our decisions. Of course, the financial context in which we have taken our decisions is one in which the United Kingdom has increased its debt over the past five years by £600 billion.

Jackie Baillie has argued that, if a Labour Government is elected on 7 May, the issues of austerity will somehow not be on the agenda. She must explain to Parliament why on earth Labour MPs voted for the charter for budget responsibility, thereby committing the Labour Party to £30 billion-worth of cuts over the first two years of the next Parliament. Why on earth did Labour MPs vote for that charter when, in doing so, they were committing their party to such a significant reduction in public expenditure?

Jackie Baillie: We voted to balance the budget; we did not vote for Tory austerity. [*Interruption.*]

The Deputy Presiding Officer: Order.

Jackie Baillie: It is interesting that SNP back benchers are laughing, but John Swinney cares about balancing the budget.

At today's meeting of the Finance Committee, we heard from the IFS that the spending plans of Labour and the SNP are similar, so if, as John Swinney accuses us of doing, we are following Tory austerity, his party is, too.

The Deputy Presiding Officer: You are in your final minute, Mr Swinney.

John Swinney: I have two points to make in response to that. The Labour Party has committed itself to sticking with the Tory spending targets, which will mean £30 billion of spending cuts. Jackie Baillie might dress that up as something nice such as balancing the budget, but it is balancing the budget by imposing £30 billion of cuts on the most vulnerable in society in Scotland.

Jackie Baillie: Will the cabinet secretary give way?

John Swinney: No—I must conclude.

Given the point that Jackie Baillie made about the evidence that the IFS gave to the Finance Committee this morning, is she now committing the Labour Party to supporting the First Minister's argument that we should boost public expenditure by £180 billion? If that is the case, it will be news to Ed Balls, because he is arguing the diametric opposite of that in the House of Commons.

I am surprised by the Labour Party's position in today's debate. After the referendum and its two-year partnership with the Tories to talk Scotland down, the Labour Party has tried to suggest over the past couple of months that it has somehow become all supportive of Scotland. Today, we have another example of the Labour Party talking Scotland down, and the people of Scotland will see right through it.

I move amendment S4M-12591.3, to leave out from "that full" to end and insert:

"Scotland should have the powers that it needs to create a jobs-rich, more equal and more locally-based economy; further believes that this is key to reducing inequality and promoting a sustainable future; agrees that the UK Government's fiscal austerity programme is having a disproportionate impact on the poorest in society and will reduce public spending to its lowest level since the 1930s, and calls on the UK Government to end the unfair cuts to public spending and invest to protect public services."

15:07

Gavin Brown (Lothian) (Con): It is probably worth having a dispassionate and objective look at the actual figures that were published today, rather than putting one particular spin on them. Revenue was just shy of £54 billion, expenditure was just over £66 billion, and there was a net fiscal-balance deficit of £12.4 billion. That is a substantial deficit, and the reality is that it is likely to be worse in the next financial year, because the figures that were published today take absolutely no account of the drop in the price of oil, which happened some six months after the period to which the figures that I cited relate.

Even without the drop in the oil price, we are looking at a deficit of £12.4 billion, which means that Scotland has a deficit of 8.1 per cent, compared with the UK's deficit of 5.6 per cent.

That is quite a substantial difference. If we were to go it alone under full fiscal autonomy, that would be an enormous gap to fill. That is why I asked the Deputy First Minister whether, based on those figures, we would be better off or worse off in the short term under full fiscal autonomy. His own figures—the figures that I cited are Scottish Government figures; they do not come from the UK Government or the Conservative Party—show that Scotland had a substantially higher deficit than the UK had last year, and that the situation will probably be worse in the next financial year, although we do not yet know for sure what the figures will be. It is pretty clear that we would be worse off in the short term, but the Scottish Government refuses to acknowledge that—it refuses to look at the figures and it ignores anything that does not suit its purposes.

The title of the document that contains the figures is “Government Expenditure and Revenue Scotland 2013-14”, but in the Government’s two-page press release and the 10-minute speech from the Deputy First Minister of this country, we have not had a single mention of the word “expenditure”. It is staggering that he has not mentioned it. There is not a chief executive in this country or any other who would stand up to present their annual accounts and focus only on revenues, completely ignoring expenditure and pretending that it does not exist. We deserve better in this Parliament and in this country.

John Swinney: Will Gavin Brown give way?

Gavin Brown: Perhaps the cabinet secretary will put things right now, and acknowledge the expenditure figures.

John Swinney: I do not think that Mr Brown can have listened to what I said about the fact that in some years we have a stronger financial position and in other years we have a weaker one. That was recognition of the fact that this year our financial position is weaker than it has been in previous years, when it was stronger. For completeness, perhaps Mr Brown will accept that point.

Gavin Brown: The cabinet secretary ignored the questions about expenditure and refused to acknowledge that we would have been worse off according to his own figures. Going back and dancing on the head of a pin, and saying, “Over the course of the past six years, we might have been better off in two of them” really does not cut it. Unless he is going to invent some kind of time machine, it is absolutely irrelevant that we would have been better off in two of the past six years.

The cabinet secretary was right to say that we should not focus just on one year; that is a perfectly fair and valid point to make. However, it is important that we look at the most recent figures

and at the most likely projected figures, because if we were to go for full fiscal autonomy as he and the rest of his party now want, it would happen in the future. The projections of what would happen count more than what would have happened had we done it 20, 30 or even 40 years ago.

Mike MacKenzie: Even if it was possible to project forward for all time to come, and even if we paint the picture of doom that Mr Brown suggests, surely he will agree that that is an absolutely shocking legacy of 300 years of Westminster rule.

Gavin Brown: I was speaking to one of Mr MacKenzie’s colleagues, who said, “Unfortunately, Mike MacKenzie sometimes leads with his chin when he intervenes.” That was a perfect example. We are not asking for projections for the rest of time. We would have been happy with short and medium-term projections; we would have been happy with the projections that any other Government would have to do if it was suggesting such a policy.

We believe that the situation is going to get more difficult because of the two underlying trends that were outlined by just about every economist in the run-up to the referendum: that cost pressures will increase with the demographic challenge of an ageing population, which is set to accelerate faster in Scotland than in the rest of the UK, coupled with the fact that revenues are likely to drop. In particular, oil revenues are volatile and will diminish over time.

That is the reason for our amendment. In recent years, the Government has been happy to publish its projections. We have had bulletins, a balance sheet and the “Outlook for Scotland’s Public Finances and the Opportunities of Independence” report. We are saying that the Government should publish that again, because two things have changed: the short and long-term tax takes for oil and gas have changed, and we now have the Government pushing full fiscal autonomy instead of independence. Let us see the figures; let the Government demonstrate to us how much better off it thinks we will be, and then the country as a whole will have an opportunity to look at the figures and make its own judgment about who is right.

I move amendment S4M-12591.2, to insert at end:

“, and further calls on the Scottish Government to publish an updated *Outlook for Scotland’s Public Finances* to take into account changes to the projected public finances since the original publication in May 2014 and also to reflect the current Scottish Government policy of seeking full fiscal autonomy”.

15:13

Willie Rennie (Mid Scotland and Fife) (LD): I am grateful to the Labour Party for bringing this debate to the chamber, because I suspect that if it had been left in the hands of John Swinney and his Government, it would not be happening; it would certainly not be happening on the day when we get the latest GERS figures. Just a cursory glance at them indicates that the Scottish Government would be reluctant to have this debate, because it has to face up to the reality that there is a massive hole in the public finances. It is much bigger than in previous years, and much worse is certainly to come in future years. As Jackie Baillie rightly said, the worst is yet to come because we have not seen the full effects of the fall in the oil price.

Next year's figures will be even higher. It will be interesting to see whether John Swinney agrees to a debate next year on the same subject. I suspect that, if we had had a yes vote last September, the atmosphere in this chamber would be quite different and this would not be an academic discussion about whether the figures are going up one year or down the next. Some of what John Swinney says is right: in some years, the figures are better. However, with a yes vote, we would now be in blind panic about how we were going to cope with the worsening economic and financial figures in an independent Scotland. Therefore, we are fortunate to be in a position to be able to discuss the issue academically. We should count our lucky stars that people did not vote for independence and that we are not in a blind panic today.

During the referendum, the nationalists repeatedly told us that the choice was between two futures—the future that we would get if only we followed the Scottish National Party's advice, or the other future in which the unionist parties were determined to inflict an evil destiny on Scotland. Let us analyse those two futures. The SNP said that the UK Government's economic plan would fail, unemployment would rise, gross domestic product would stagnate and employment would fall. However, thanks to that plan, the opposite is the case. We have falling unemployment, record-high employment and a rising GDP that is among the best in the G7. That would not be the case had we followed the SNP's advice.

The nationalists said that we were on the verge of a second oil boom, with a blossoming oil fund—no one mentions the oil fund any more, by the way—more jobs and ever-increasing tax receipts. However, we face a low oil price—it is half what the SNP confidently predicted it would be—jobs have been slashed and tax revenues have plummeted way below the GERS figures. If the

SNP had had its way, schools, universities and hospitals would soon be feeling the cold draft of its policy.

People are rightly critical of Labour's economic competence, but the SNP wants to borrow even more than Labour is planning to borrow. That would result in higher debt charges. Let us examine the First Minister's claim that debt will fall as a percentage of GDP, which she made in her grand speech at a university in London but has not mentioned ever since. This week, the Treasury has shown in its analysis that if we followed SNP policy debt would rise—not fall—as a percentage of GDP.

I will take an intervention from John Swinney if he wants to back up what Nicola Sturgeon said, because although the Government has been asked repeatedly to back up her claims, it has failed to do so.

John Swinney: I certainly will. The Treasury took a different approach to how the Scottish Government set out the figures. The Treasury put the increased borrowing into the financial year in which it was procured while the Scottish Government put the borrowing into the start of the following financial year. That is the difference between the two calculations.

Mr Rennie is quite wrong to say that the analysis that was published by the Treasury on Monday does not show the debt to GDP ratio falling by the end of the next session of Parliament, because that is exactly what it has confirmed.

Willie Rennie: Nicola Sturgeon said that the debt to GDP ratio would fall in every single year. That is not the case. Is John Swinney disputing that?

John Swinney: The exact point of explanation was in the first part of my response; we used a different method and showed exactly why that was the case. However, even using the Treasury's method, the debt to GDP ratio would fall by the end of the next session of Parliament.

Willie Rennie: John Swinney is not disagreeing with my central claim; he is not backing up what Nicola Sturgeon said in London. The SNP wants to borrow more than Labour is planning to borrow. It is economically incredible that the SNP is proposing that. On the back of being wrong about the oil boom and the UK Government's economic performance, the SNP, on the back of our children's future, is encouraging this country to borrow £180 billion more. That is not economic competence: it is economic irresponsibility.

I move amendment S4M-12591, to insert at end:

“, and believes that the transfer of significant new powers to the Parliament under the Smith Commission agreement

will provide real opportunities for the Scottish business community to work with policy makers to boost growth in Scotland”.

15:19

Chic Brodie (South Scotland) (SNP): I welcome the debate today—although why Labour has entitled it “Supporting Scotland’s Economy” when it has been lambasting Scotland’s economy defeats me.

Labour has jumped on the GERS figures that were published today, but experience tells me that it is often better to read and understand the background to the figures. It also tells me to look at trends and outcomes and not to be obsessed with one set of figures in a rolling economy. On that basis, I cannot hide the fact that I welcome that our deficit has fallen by £2 billion compared to an apparently immovable UK deficit of £97.2 billion, and that the tax take in Scotland was £400 per head higher than that in the rest of the UK.

I am sure that we will be able to have much more meaningful exchanges when everyone has better analysed the trends and background. I am also sure that the trends will show that, despite Mr Rennie’s gloom and doom, we will be in a position to support public services.

Bruce Crawford (Stirling) (SNP): Will Chic Brodie give way?

Chic Brodie: I will not just now; I am sorry. *[Laughter.]* I am making a point.

It appears that the branch mentality still pervades the Labour Party, not only in relation to its London office but in relation to the UK Government, regardless of which party is in power. When any head office or headquarters is not organised or competent, or when it fails, the first thing to get hit is the branch. As long as the London Government exercises power and authority over swathes of Scotland’s financial management, and as long as the London parties, especially Labour, exercise financial and political control over their branches, it will always be thus. We cannot divorce meaningful political power from economic power.

Happily, we all know where political power in Scotland will ultimately come to rest.

Murdo Fraser: Will Chic Brodie give way?

Chic Brodie: Yes.

Murdo Fraser: I am grateful to succeed where Bruce Crawford failed. Is Mr Brodie saying that Mr Swinney is George Osborne’s puppet?

Chic Brodie: Sometimes it is better to sit still and not say anything in case it sounds silly, than it is to stand and confirm it. *[Laughter.]*

The Deputy Presiding Officer: That is enough.

Chic Brodie: Even Lord Barnett, the begetter of the formula, said that keeping his formula in the event of Scotland getting more economic powers would be a “terrible mistake”. More recently, Lord McConnell said that the Barnett formula would be “diminished” in the event of a no vote because the funding arrangement would be irrevocably changed by new tax powers, even limited ones, coming to Scotland.

The branch is definitely not listening to the people. Poll after poll shows that the majority of Scotland’s people are seeking change and for the responsibility for all key tax and spending decisions to lie here. Of course, we cannot fulfil those aspirations while we have a so-called headquarters at Westminster. Do not believe the pressure of the economic forecasts, which have been subsidised by six Office for Budget Responsibility statements for the autumn statement, which hide the fact that we have a £1.57 trillion debt that is garnering almost £5 billion in annual interest. I regret that Mr Rennie would not acknowledge that today.

We are losing out on billions of pounds of support for public services including the NHS and schools, but not at our own hand. No one individual, no family and even no branch can be economically stable or successful while some other body controls 70 per cent of the tax-raising powers and 85 per cent of welfare expenditure. We cannot tackle inequality properly, fully challenge employability and training, improve working conditions, or address in-work poverty without faster and more local decision making for the finances of the nation.

Drew Smith (Glasgow) (Lab): Will Chic Brodie take an intervention?

Chic Brodie: No.

Until we have that full autonomy and right, and while we fall short of full fiscal autonomy and grown-up responsibility—this Parliament is now grown up—the Barnett formula will be retained and adjusted appropriately to the actual degree of fiscal responsibility, but at another’s hand.

The Scottish Affairs Committee’s recent claim that

“without the protection of the wider and more diverse UK economy”,

full fiscal autonomy would be “disastrous”, is fanciful. It would do better to look at the risk to the UK economy and the City of London from laid-off eurozone and Greek debts and from further capital spend on defence—items such as Trident. Those are real risks to Westminster and, regrettably, to us, in the current environment. We would like a

vibrant and competitive neighbour standing on its own two feet while we do the same.

We could boost GDP, we can and will increase exports and we will increase employment when we have the capacity to do so. That is how we will improve our NHS, our schools, our public services, our wealth and our resources.

Two weeks ago Labour had no economic strategy. Yesterday it had no plan for oil and gas and it today it has no fiscal or monetary strategy. Poor Scottish Labour: a branch.

15:26

Iain Gray (East Lothian) (Lab): J K Galbraith once said:

“Economics is a subject profoundly conducive to cliché”.

When it comes to our economy, there is no greater cliché than to say that our greatest resource is our people, but that is true, and it is a truth that is universally acknowledged. The Scottish Government certainly agrees; in her introduction to the economic strategy the First Minister says:

“Our people are creative, ambitious and resilient ... We will continue to build on these strengths”.

It is a truth acknowledged across the political divide. When Carly Fiorina, darling of the US Republican right, was chief executive of Hewlett-Packard, she said:

“Keep your tax incentives and highway interchanges; we will go where the highly skilled people are.”

Where Nicola Sturgeon and Carly Fiorina might differ is in the First Minister's assertion that the issue is not just about increasing competitiveness to drive economic growth but also about tackling inequality. I am with the First Minister there. Every pupil, student or worker whom we fail and leave behind is not just a personal scandal but an economic loss. The Government economic strategy recognises that and notes successes of which we should be rightly proud. We have the curriculum for excellence, more than 45 per cent of the workforce has a higher or further education qualification, four of our universities are in the top 200 in the world, we have world-class research and we have 25,000 apprenticeships.

However, the economic strategy ignores some underlying failures. Our schools have lost more than 4,000 teachers since 2007. Teaching unions and headteachers warn that the profession is at breaking point, and some have even talked of imminent catastrophe. In some subjects and some places there are no teachers to be had, and pupils face being sent home. This week, we discovered from a *Daily Record* investigation that, in some parts of Scotland, we spend as little as 12p per pupil per year on textbooks.

Colleges have suffered the most—a real-terms cut in funding of £61 million and 140,000 fewer students. Although tuition in our universities is free, the support that we offer students from low-income families is less than that offered anywhere else in the UK, and possibly worse than it is anywhere else in western Europe.

Meanwhile, the Government has just slashed support for the world-class research in our universities that it celebrates, by many millions: £8 million in the University of Edinburgh, £2.5 million in the University of Glasgow and £1.5 million at the University of Aberdeen. It is often exactly the skills that we need for the future that are suffering most.

I believe that we can address all of that. If we believe in the capacity of our people and we invest in their skills and education, there is nothing that this country cannot do.

John Mason (Glasgow Shettleston) (SNP): Iain Gray seems to want more money for both universities and colleges. Where does he suggest that money should come from? Perhaps from a cut to the NHS?

Iain Gray: If Mr Mason had been following the Scottish Labour conference at the weekend, he would have seen that we suggested increasing bursaries using resources that would flow through the Barnett formula from decisions on tuition fees in England.

Chic Brodie talked about supporting the economy. Investing in our young people and the skills of our workforce, and not simply using warm words in the chamber, is how we support the economy. To do that, we must have the resources to make those investments.

Today's GERS figures make it clear that the investment that we need would be utterly jeopardised by the Scottish Government's core demand for fiscal autonomy. Swapping the Barnett formula for volatile oil revenues would leave a £4 billion hole in our public finances. Indeed, cuts of only tens of millions of pounds to university research and to colleges would pale into insignificance, and the loss of only 4,000 teacher posts would look like halcyon days. That £4 billion is our entire school budget. It is four times what we invest in higher education institutions and eight times the colleges budget.

To risk the investments that we know we need in our people and our future for a purely ideological end is not standing up for Scotland; it is letting Scotland down. Promising unprecedented hypothetical growth or spinning counterfactual stories based on investments that might have happened some years ago, or renaming fiscal autonomy as full revenue retention, does not change the figures. They are stark, and they will

be worse next year because the current figures predate the collapse in the oil price.

Members should make no mistake: GERS does not speak of dependence. The figures describe the advantages of, and our contribution to, a partnership whereby Scotland can manage volatility in the economy and at the same time invest in our economic future. That is the lesson of the run of figures that Mr Swinney has described over a number of years.

It is that partnership that has allowed us to weather the storm of the banking crisis, not painlessly but able to find our way through—

The Deputy Presiding Officer (Elaine Smith): The member should draw to a close, please.

Iain Gray: It is that partnership that means that we can face the downturn in the oil and gas sector. It is a mature, modern, developed, devolved and increasingly decentralised economic partnership, in which Scotland is big enough and smart enough to thrive and to prosper. Why on earth would we want to jeopardise that?

The Deputy Presiding Officer: I am afraid that we are very short of time—members cannot go over their six minutes.

15:32

Stuart McMillan (West Scotland) (SNP): I am happy to speak in another economy debate. The debate is very timely. On the day we learn that Scotland has yet again contributed more in taxation per head than elsewhere, Labour once again brings to the chamber a motion talking Scotland down. *[Interruption.]* Jackie Baillie and I disagree on many things, and we regularly do so in the pages of newspapers in the Dumbarton area. There is one area on which we agree, to which I will return later.

Today's GERS figures highlight that Scotland's tax take for 2013-14 was £400 per head higher than that in the rest of the UK.

Jackie Baillie: Will the member take an intervention?

Stuart McMillan: I will continue first. With tax revenues in Scotland higher per person than those in the rest of the UK in each of the past 34 years, and with the additional revenue in the past five years alone totalling £4,100 per person, it is obvious that Scotland has the means and ability to progress but lacks the powers to do so.

I will take one intervention.

Jackie Baillie: Will Stuart McMillan accept that, although he describes £400 as being the additional tax revenue per head from Scotland, expenditure is £1,200 higher per head in Scotland

than in the rest of the United Kingdom, and that we therefore have a deficit of £800 per person?

Stuart McMillan: I accept that Scotland has a broad economy—*[Interruption.]*

The Deputy Presiding Officer: Order, please.

Stuart McMillan: I accept that Scotland has a broad economy. There will be occasions on which Scotland's contribution will be larger, and others on which it will be smaller. Unfortunately, that is one of the problems that we face under the current constitutional arrangements.

The Scottish economy is broad and has inherent strengths, but it lacks powers, and that is certainly holding Scotland back.

Scotland's economy has some positive stories to tell and much of that is down to the hard work of this SNP Government. Scotland has higher revenue contributions than the UK as a whole, higher employment, lower unemployment and an economy that is growing at a faster rate than the UK as a whole.

Jackie Baillie spoke earlier about the deficit and asked me a question about it a moment ago. If we listen to her arguments, surely—

Iain Gray: Will the member give way?

Stuart McMillan: I have already taken one intervention. I am not taking any more.

Surely, if we listen to those arguments, we will see that this Parliament should be independent, never mind having fiscal autonomy. Jackie Baillie's arguments highlight that the union is not working.

We have the capacity and the resources to grow our economy, to address inequalities, to grow small businesses and to put more people back into work. However, to do that, we need more economic powers and the ability to protect Scotland against the anticipated £14.5 billion-worth of cuts that Westminster plans over the course of the next Parliament.

Willie Rennie and Jackie Baillie spoke about more powers and touched on the Smith proposals. I recommend to both Willie Rennie and Jackie Baillie that they should read the *Official Reports* of the Devolution (Further Powers) Committee meetings over the past few weeks. We have had discussions about welfare and the welfare powers that are to come to this Parliament, about borrowing powers and about the Crown Estate. After reading the *Official Reports* of those meetings, I am sure that Willie Rennie and Jackie Baillie would appreciate that the proposed powers are a bit of a dog's breakfast—not so much the Smith recommendations as the draft clauses.

Gavin Brown also asked about the position on fiscal autonomy. That question is very much

hypothetical because, first, we do not have the powers; secondly, the powers are not under offer under Smith; and, thirdly, David Cameron—Mr Brown's own Prime Minister—has not ruled out fiscal autonomy coming to this Parliament.

Murdo Fraser is sitting there muttering something to Gavin Brown—no doubt sweet nothings—

Murdo Fraser: Eh?

The Deputy Presiding Officer: Order, please.

Stuart McMillan: Mr Fraser, if you go and check that out, you will see that the Prime Minister has not ruled out that particular offering.

Murdo Fraser: When did he say that?

The Deputy Presiding Officer: Mr McMillan, speak through the chair, please.

Stuart McMillan: Sorry, Presiding Officer. If Mr Fraser does not like that notion, I suggest that he takes it up with his Prime Minister.

Jackie Baillie's motion highlights the Barnett formula. Surely the no-detriment principle in Smith's proposals ensures that Scotland's economy will not be adversely affected due to the Westminster policies in the next parliamentary session.

Jackie Baillie: Will the member take an intervention?

Stuart McMillan: Sorry, I am in the last 30 seconds of my speech.

The Deputy Presiding Officer: The member is in his last 30 seconds.

Stuart McMillan: My final point is one that Jackie Baillie and I can agree on. It is about tourism—[*Interruption.*]

Obviously, Jackie Baillie does not appreciate my point, but it is very close to her constituency. The first marine tourism strategy was published last week. I accept that it has a small part to play in helping the Scottish economy but—

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

Stuart McMillan: —if we consider John Swinney's amendment in relation to the locally based economy, we see that marine tourism has a huge part to play in areas such as the Dumbarton constituency in particular.

15:38

Neil Findlay (Lothian) (Lab): In this Parliament and across the political classes, we argue about GDP, GERS figures, inflation, and percentages of this and percentages of that. Statistics are of course the meat and drink of politicians, but it is

what happens behind those statistics that matters more. It is what is happening in the real world to our communities, our families, our friends and the people we are sent here to represent that matters the most.

I will read out two sobering passages from a group of young people who recently came together to reflect on their lives in their community. They said that, in their area, they see towns and villages with multiple issues affecting the quality of life for people living there but with

"poverty as the root cause".

They see community workers feeling helpless as they stand watching humiliated, once-proud parents in growing numbers forced to use food banks to feed their families, and communities where malnutrition is increasing, as young mums choose to feed their children before themselves; where local services and infrastructure are crumbling; where poor uninsulated housing is common and where once-thriving social housing schemes are in dire need of investment.

They spoke of how young people are ostracised and moved on by the police but with nowhere and no recreational services to go to. The minimal employment opportunities available are characterised by low pay, zero-hours contracts and insecurity. Welfare cuts have seen the confidence of young people so affected by constant rejection from jobs that do not exist that they give up looking and are sanctioned as a result. Stress and mental illness are "going through the roof", but mental health service provision for young people is abysmal and many wait two years for a psychiatric appointment. The consequence is that

"people have a greyness about them ... a deflated-ness ... a hopelessness and helplessness".

When I read those two passages, they made me extremely angry and what is most shocking is that they are the words of the young people describing themselves and their lives; they are not my words. We may talk about statistics, but that is the reality of life in many working-class areas in Scotland. My worry is that things will get even worse if we sleepwalk into another Tory Government or end the Barnett formula's redistribution.

What would another £70 billion of cuts mean for our housing budget when we have a social housing crisis? What would it mean alongside the Scottish Government's underfunding of local government services? What would it mean for our social care sector? Already, one of the biggest crises is in that sector. What about youth services, community health or addiction services or social work? I shudder to think what it would mean for the cohesiveness of our society and the wellbeing of our communities.

John Mason: Neil Findlay is obviously not happy about the idea of Labour doing a deal with the Conservatives in the event of a hung Parliament at Westminster, so would he prefer to have a deal with the SNP in such a situation?

Neil Findlay: I would prefer Mr Mason not to talk utter tripe first of all. That would be a start.

The Deputy Presiding Officer: Mr Findlay, watch your language, please.

Neil Findlay: I am trying to raise a serious point about the conditions of people in their community and we get rubbish like that.

This is not a game. People are dying early through poverty 25 to 30 years before their time. That is no accident; it is a direct result of a system that is supposed to create poverty and inequality via a low-tax, privatised, small-state approach. The question for us is whether we are willing to do anything about it.

Are we willing to say to those who can pay more that they will? A 50p tax rate would be a start.

Are we willing to say to the low-paid young person on a zero-hours contract that things will change for the better and that we will put an end to zero-hours abuses, increase the minimum wage, extend the living wage and give a guarantee to young people who are out of a job?

Are we willing to say to the big tax evaders that they must help to finance the services from which they benefit? A clampdown on tax avoidance would certainly help.

Are we willing to target resources to needy areas? A targeted school attainment plan would begin that.

Are we willing to invest in our young people? Reinstating college bursaries, having no tuition fees and providing a £1,600 training allocation for 18 and 19-year-olds would make a real difference.

Those things can be achieved only because, as part of a UK-wide economic system, we benefit from UK-wide redistribution. The Barnett formula is a good thing. Where is the logic in Scotland losing out on over £4 billion for our public services, which need that investment desperately? I simply do not understand.

Full fiscal autonomy would mean that we slip deeper and deeper into austerity. Surely it is better that we continue to gain from a higher share of public spending, benefit from a share of a tax on UK bankers' bonuses to fund jobs for young people and benefit from taxes on the mansions of wealthy people to fund our NHS. Surely it is better that we do not cut our nose off to spite our face.

We owe it to the young people I spoke about to offer practical policies that will materially improve

their lives. Cutting public spending by £4 billion will not do that.

15:44

Gil Paterson (Clydebank and Milngavie) (SNP): There are so many things in the Labour Party motion that are questionable that it is difficult to make up one's mind just where to start. However, the overall comment that best describes its major message is clear. It is another talking-down-Scotland exercise by Labour—a rubbishing of Scotland's achievements and a distortion of facts that is matched only by what we saw during the Scottish independence referendum. If its view were true—which it is not—Labour should present ideas in the motion about how to put the situation right. However, rather than doing that, it proposes doing nothing more than continuing to live off the crumbs from a supposed rich man's table.

Of course, when we examine Scotland's prospects and its performance over the recent past, we will come to a view that is contrary to Labour's claims. In each and every one of the past 34 years, Scotland has raised more tax revenues per head of population than the rest of the UK has raised. Rather than Scotland being a basket case that needs to be propped up by the rest of the UK, the truth is the exact opposite, with the fact being that Scotland is subsidising the rest of the UK—something that we would never hear from any unionist politician in Scotland.

Of course, the perpetual untruth about Scotland being subsidised gains common currency across the UK, but in particular in England. That slur of a myth is fed by unionist politicians in Scotland who are prepared to constantly rubbish the prospects of the people of Scotland and even their own families for a purpose that I find difficult to understand. No businessman or businesswoman would be so stupid as to write and publish a motion undermining their own business, with the only benefactors being their company's competitors.

On another point, only Labour could possibly call in a motion for the Scottish Government to retain the Barnett formula but forget to mention that the Scottish Government has never asked for the Barnett formula to be scrapped. In fact, the Scottish Government has time after time repeated its call for the Barnett formula to be retained. However, who has argued for it to be scrapped—indeed even demanded that it be scrapped? You couldn't make it up: of course, it is Labour. Yes, in July 2010, Labour's First Minister of Wales called for the formula to be scrapped, something that would steal £4 billion from the Scottish budget overnight. If that is not enough, I point out that Labour's shadow chancellor, Ed Balls, when referring to the Barnett formula, stated:

"It was never intended to be long term. We are getting to the point where it needs to be looked at again ... I have read the Holtham report and I understand the arguments."

What a threat that is.

However, despite unionist Labour's worst efforts to damage Scotland at every turn, we are not only still standing but marching on. Under the Scottish Government, with the limited powers that it has at its disposal, we have some of the best performance indicators in the entire UK. Scotland now has the highest employment rate among the four countries of the UK, which is a strong foundation to build on as the Scottish Government looks to achieve a more productive, more cohesive and fairer Scotland through its economic strategy. Between 2007 and 2013, our country moved from fourth to third in terms of output per head within the UK, with only London and the south-east of England ahead of us. During the same period, the value of our international exports increased by around 40 per cent, which is extremely positive.

While the value of our exports has increased, we have also become an attractive prospect for foreign direct investment, with the Ernst & Young attractiveness survey finding that, in each year since 2007, Scotland was ranked in the top two UK regions outside of London for investment. Just think what we could do with all the powers of a normal country compared to what we are going to be given by Westminster.

I feel that I will need to retract that part of my speech because, truthfully, I have no true idea of just what the Scottish Parliament will get out of Westminster. It is an ever-diminishing feast, like in "Alice in Wonderland" or "Through the Looking-Glass". However, sadly, one thing is quite clear when it comes to what Scotland will get from Westminster. As long as the UK Government continues with its reckless austerity agenda, with the support of the Labour Party, it will be our most vulnerable people who will bear the brunt of the cuts. That issue is missing from the Labour Party's motion—I wonder why.

I commend John Swinney's amendment.

15:50

Murdo Fraser (Mid Scotland and Fife) (Con):

In yesterday's debate on oil and gas, I was accused by Nigel Don—who I think has just left the chamber—of rerunning the independence debate. This afternoon's debate is more likely to be a rerun of the independence debate, although we have moved on a little, because we are now talking less about independence and more about full fiscal autonomy.

I have made the point in previous debates that the language can get confused when we are

talking about the constitution and when terms such as "fiscal autonomy", "devo max" and "federalism" get bandied around without anybody being terribly precise about what they mean. I think that we understand what the SNP means, though, by "full fiscal autonomy". It means no sharing of resource. It means that all taxes that are raised in Scotland are retained in Scotland. We bear responsibility for all of our own spending, and we pay a sum to Westminster for any reserved powers, such as defence or foreign affairs or whatever there might be under the SNP's preferred model.

I am not aware of anywhere in the world—least of all within a federal state—that operates on that particular basis, but no doubt we will hear from SNP members if they can point us to models where it is done.

Jackie Baillie was talking about the GERS figures. We have debated those in the chamber many times in previous years; I will go over briefly the history of some of those figures, because I think that it is important to set today's figures in context.

Two years ago at about this time, we had the publication of the 2011-12 figures, which showed that Scotland had a fiscal deficit of £5.1 billion, which was 3.4 per cent of GDP. That figure was relatively better than the figure for the UK as a whole. Those of us who were around at that time will remember that those figures were trumpeted by the SNP. We were told that they showed us that Scotland paid in more than we got out of the UK. Of course they did not tell us that; what they did say was that our deficit was relatively smaller. Those figures were used throughout the independence campaign. They were put in SNP and Yes Scotland leaflets that were pushed through people's letterboxes and which said that the fact that we paid in more than we got out was the reason to vote for independence.

A year ago at this time, the 2012-13 figures were published. They showed a deficit of £12 billion, which was relatively worse than the UK. At that stage the SNP narrative changed; it stopped talking about the last 12 months' figures and started talking about the last five-year period. It said that we only had to look at the context of the last five years, and over that time we were relatively better off. Of course what we learned today is that the £12 billion figure was an understatement. The correct figure for 2012-13 was more than £2 billion higher than that; in fact it was £14.3 billion and therefore much worse than we had been led to believe at this time last year. That puts into context, again, the independence debate that we had in the run-up to last September.

Today we have the figures for 2013-14—a £12.4 billion deficit, which is 8.1 per cent of GDP, against

a UK share of 5.6 per cent. In terms of its budget, that puts Scotland in the worst position of any European Union country except for Slovenia and Greece. It also means that if we went for full fiscal autonomy—which is what the SNP proposes—there would be an extra gap of £3.8 billion that we would have to fill. That would be either £3.8 billion in cuts to public services or an 8 per cent increase on the basic rate of income tax.

Let us not forget that these figures for 2013-14 are historical—they are for a period before the recent fall in oil prices. We can expect the figures for 2014-15 and onwards to be much worse.

The point is this: every time somebody from the SNP stands up in this chamber or anywhere else and attacks UK austerity or UK Government cuts, they will have to explain how much extra austerity or extra cuts would be required if we went down the route of full fiscal autonomy. That is exactly what is on offer on the basis of the figures.

Fortunately, we have an alternative, because we had the Smith commission proposals to give the Scottish Parliament proper financial accountability. I warmly suppose those proposals; I think that it is right that we are more accountable for the money that we raise. The crucial thing about the Smith commission proposals, though, is that we will retain that vital sharing of resource across the United Kingdom. That is a feature of federal systems across the world. They share resource, and the different parts of the federation pay in more in good times and draw out more in bad times. That is being better together; it is sharing resource.

We have two contrasting visions for Scotland. One is the SNP vision of full fiscal autonomy. What that means is absolutely clear today—a £3.8 billion cut in public spending or an 8p rise in income tax. We have heard from Mr Swinney and other SNP speakers about the fact that we pay £400 per head more in tax than the figure for the UK as a whole. However, they do not mention the other side of the equation, which is that spending is £1,200 per head higher. The last time that I checked, £1,200 was higher than £400.

The alternative is that we continue to share resource with the rest of the UK but with the ability to vary key taxes in Scotland to drive and grow our economy. Let us not forget that, as Willie Rennie pointed out, in the UK we are in the fastest-growing economy in Europe thanks to the current UK Government. Why cut ourselves off from that? The SNP amendment talks about austerity and public spending cuts. Any cuts today from Westminster are a shadow of what would happen under full fiscal autonomy, as today's figures make clear. A vote for the SNP is a vote for swingeing additional cuts or swingeing tax rises.

15:56

John Mason (Glasgow Shettleston) (SNP):

One of the key problems with the Labour motion and with much Labour thinking is the concentration on the short term and the failure to take a long-term view. Labour members look at the present position with lower oil prices and apparently forget the years of higher oil prices and that Scotland has regularly subsidised the rest of the UK. Labour members also refer to the wealth and resources of the UK but forget to mention its huge debt, which we are also forced to share. The last time that I checked, the UK debt was £1.377 trillion, which spread among 64 million people is something like £21,500 per head. Is that the sign of a successful economy or of a failed one? The answer seems clear to me.

We have had doom and gloom from Labour and Conservative members about how awful things are in Scotland. To be fair, Murdo Fraser's tone was slightly more solemn; Labour members seem gleeful that Scotland is in a difficult position. Full fiscal autonomy would have meant building up an oil reserve in the good times, as independent and non-independent Governments have done. We often mention Norway, with a fund of \$759 billion, but Alaska is not independent and still has a fund of \$64 billion.

Hugh Henry (Renfrewshire South) (Lab):

John Mason looks back and says what full fiscal autonomy would have meant as a result of an oil fund and other expenditure. I dispute what he says but, just giving him credit for a minute, what about looking forward? Can he give cast-iron guarantees on what the price of oil will be in the future and what the contribution from the rest of the UK will be to Scotland?

John Mason: I can certainly comment on our present position and the future. Clearly, we will not be independent in the short term—at least, not by Christmas. One of the key factors that is at play under the Scotland Act 2012 and the Smith commission proposals is that there should be no detriment. With land and buildings transaction tax, we have had a long debate about the fact that, if we take on that power, Westminster must not in any way be disadvantaged, right up to 2030. The logic is that, if we took on more powers, other than those in the Smith commission proposals, and headed towards full fiscal autonomy, there would again need to be no detriment. That is the agreement. If it is reckoned that Scotland is running a deficit, logically, according to that agreement, Westminster would have to compensate us for that for a certain number of years.

Again taking a long-term view—that is what I have been saying we should do—the relative loss of population in Scotland is another sign of the

long-term failure of the UK economy and UK management. When we joined England, the population ratio was something like one to four, but it is now down to one to 10. Surely, that is a sign of failure in the UK. In the past few years, there has been growth in a number of ways, which is excellent, but the long-term trend has not been good.

It is incredibly difficult to grow an economy with a stagnant population. We have a whole range of skills shortages in Scotland, including those among NHS staff, in the North Sea and in power companies. We need more skilled people, and that has to come either from growth of our own population or through immigration.

The share of wealth and income is also important. Mr Findlay was talking about that. I do not know what Mr Don is going to talk about, but I suspect that "The Spirit Level" might appear in his speech—and I, too, think that it is an excellent book.

It seems clear that the whole economy does better if wealth and income are more equally shared. Just this morning at the Finance Committee, Paul Johnson of the IFS was asked whether it made any difference how wealth was shared through the economy. He confirmed that, generally speaking, giving more money to people at the lower end would give a short-term and immediate boost to the economy, as they would tend to spend it because they had to.

Growing the economy is an important part of the answer, but the way in which the success of the economy is shared out helps to decide whether that growth is sustainable.

Neil Findlay: Will Mr Mason take an intervention?

John Mason: No, I have taken one already.

Scotland's economy has also been held back in tourism, food and drink. Unfortunately, all those sectors have been buried under the UK brand, which is generally not as high quality in those fields.

The UK has not done well in manufacturing in comparison with Germany. About 10 per cent of UK gross value added is in manufacturing, compared with Germany's 22 per cent. Scotland's figure is slightly better than that of the UK, at 12 per cent, but that is still not great. Admittedly, the figure for German manufacturing has also fallen since 1970, from about 33 per cent to 22 per cent today. In the same period, the figure for the UK has fallen from 28 per cent to 10 per cent, which is a much more dramatic fall.

We have lost out in our steel and car industries, and they have been lost under UK management.

Despite that, other developed countries have been able to keep those industries.

I am about to run out of time, but I want to mention ownership. The UK has been very poor at keeping ownership either in the public sector or locally. There are so many examples, including the rail system, electricity and Royal Mail. How much better would it be for the Scottish economy if the South of Scotland Electricity Board had stayed in public ownership, or if Scottish Power had kept its headquarters in Glasgow? Those are top jobs that we have lost. What kind of country is this—in the UK—if we lose all those assets?

I will mention one more point about further devolution—on VAT. It is very important that we get a share of VAT all the way through the process and all the way along the chain, not just at the end at the point where the consumer spends the money. Otherwise, we could grow the economy but not get the VAT.

There are good things happening, but Scotland's economy, as I have tried to argue, is being held back by London. It has been held back for 300 years, and we could do a lot better if we stood on our own two feet.

The Deputy Presiding Officer: I remind members that speeches should be six minutes.

16:02

Alex Rowley (Cowdenbeath) (Lab): I begin by quoting a statement issued by the STUC regarding the GERS report:

"Today's report is a sobering reminder of some of the risks of full fiscal autonomy for Scotland. The STUC has consistently argued that whilst Scotland's funding settlement with the UK is entirely fair in the context of its historic and anticipated fiscal contribution, there are real risks associated with the volatile nature of oil revenues. It is for this reason that we argued for a combination of increased tax devolution and a continuing block grant as the best mechanism for secure and predictable funding for Scottish public services."

I do not think that anybody would accuse the STUC of trying to talk down Scotland; it simply points to the facts. It is easy simply to retort, every time the facts do not suit the political argument being made, that people are talking down Scotland. I would certainly never dream of talking down Scotland, and I would always work to get what is in the best interests of Scotland, but the fact is that today's report confirms that the value of the Barnett and other fiscal transfers from the UK is £4 billion. The House of Commons Scottish Affairs Committee predicted that that would rise to £6.5 billion this year, as oil revenues fall. A significant amount of funding that currently comes through Barnett would be at risk, and that risk would be to public services throughout Scotland.

A further fact is that, although we raise £400 more per head in taxes, we spend £1,200 more per person. If we were not spending that money, there would be major risks to Scotland.

Mr Swinney says that the recovery is “well established” in terms of growth and jobs and that

“Scotland is, and continues to be, a wealthy country”,

but I would argue that taking out £4 billion to £6 billion would change that position.

The difference between what we spend and what we raise is £12.4 billion—and when I say that, I am not talking down Scotland; I am simply stating the facts.

We have talked about Tory austerity, and the fact is that the levels of austerity that we face if David Cameron remains in Downing Street will be substantially more than anything that we have seen to date, with public services under more and more threat. Instead of people trying to claim and celebrate the successes of the Tory-Liberal coalition, I would also argue that, if we had not tried to cut ourselves out of the deficit and if we had instead spent more to grow our way out of it, we would be in a much stronger position today. In fact, when the current UK Government came to power in 2010, the country was coming out of recession because of a policy of growing the economy, but that approach was stalled by the Conservative chancellor’s policies.

Jim Eadie (Edinburgh Southern) (SNP): I would never accuse Mr Rowley of talking down Scotland, but does he accept that the alternative to austerity that he has outlined is exactly the approach and policy of the Scottish Government, which has accelerated capital investment to ensure economic growth, despite the cuts that have been imposed by Westminster?

Alex Rowley: But full fiscal autonomy will not only undo all that work but create greater austerity. The options before us are Tory austerity as a result of a right-wing ideologically driven economic policy or SNP austerity driven by a nationalist ideology. However, there is a third option: the ending of austerity under Labour through an ideology that is driven by fairness, justice and equality. The figures that have been highlighted this afternoon bring the different choices to the fore. The facts remain, and I find it difficult to understand why the SNP would put all of that at risk.

The Deputy Presiding Officer: You are in your final minute.

Alex Rowley: Why would the SNP risk the pooling and sharing of resources across the UK and having a strong Scottish Parliament?

In conclusion, I want to come back to Mr Swinney’s comment that the recovery is “well established”, that there has been growth in jobs and that Scotland is “a wealthy country”. That growth and that wealth are not being shared across the whole of the Scottish economy; in many parts of the economy, there has been no direct intervention to ensure that the least well-off and those who are least able to take advantage of the benefits of our growing economy can do so.

These austerity measures will do little to help that situation, and I appeal to the Deputy First Minister to consider a national poverty strategy for Scotland that will drive the economy and ensure that everyone and every community in Scotland—

The Deputy Presiding Officer: You must close, please.

Alex Rowley: —can share the benefits of our growing economy.

The Deputy Presiding Officer: Thank you very much. If the next speakers take a little bit less time, I might be able to fit everyone in.

16:08

Joan McAlpine (South Scotland) (SNP): The Opposition parties are fond of saying that we should move on from the referendum. I think that it is probably time that they started taking their own advice, because the entire thrust of their arguments today is that Scotland is a bit of an economic basket case—in other words, all the things that they said during the referendum. For all the talk of the new saltire-draped Labour—call it “yes Labour”, if we must—its members, despite all their denials, continue to be the same old naysayers.

Jackie Baillie: Will the member give way?

Joan McAlpine: No—I am trying to make progress.

Given that the custodian of Scotland’s economy is, and has been for hundreds of years, the Westminster Government, if we are not doing as well as we should be doing, we all know where blame lies. It lies where power lies.

To take the very long view, it is interesting to note that, when Scotland lost its Parliament in 1707, its population was a fifth of that of England: its population was 1 million compared with England’s 5 million. Now, Scotland’s population is 5.2 million compared with England’s 53 million. England’s population is almost nine times that of Scotland, although a slight improvement is showing—one that has been created since the Parliament was established and confidence began to grow in the country again.

People follow power, just as money follows power. Indeed, anyone who listened to the evidence that was presented at the Economy, Energy and Tourism Committee meeting this morning would know that power also follows power. The energy market in the UK is designed entirely by the Westminster Government, with dire consequences for places such as Longannet, which has to pay transmission charges of £40 million a year. By comparison, if it was located in London, the transmission charges would be zero. It was very clear from the evidence that Scottish Power, the National Grid and the Office of Gas and Electricity Markets gave today that our being a smaller country with a smaller population far from where power lies means that energy policy is not shaped in our interests or in the interests of our economy.

Fiscal autonomy is as much about the control of regulations such as the energy and telecommunications regulations as it is about what taxes we control. We need a framework or network on which we can base our growth.

Gavin Brown: Based on what the member has just said about energy, does she support an entirely separate Scottish energy market?

Joan McAlpine: I support a fair energy market that works in the interests of all people. It is very clear—it was very clear from the evidence that we took this morning—that the energy market is not fair. It is certainly not fair to the people who work at Longannet in Fife.

There is already a very good example of fiscal autonomy in Europe that has, in a relatively short time, demonstrated that shifting power from the centre can result in an economic step change. The Basque Country signed its economic agreement with Spain in 1980. At the time, the region was suffering from an economic crisis—it was in some ways similar to Scotland: like parts of central Scotland, it was post industrial. In some of those post-industrial areas, unemployment in 1980 was around 25 per cent and incomes were well below the EU average. The economic agreement gave the Basque Country and Navarre complete control over all their taxes. Now, as the European Commission confirms, the Basque Country is the wealthiest region of Spain. Its GDP per head is 30 per cent higher than the EU average and 35 per cent higher than that of Spain.

It is important to look at what the Basque Country has chosen to do with its fiscal autonomy. It is significant that it used its autonomy to build a much stronger industrial base that focuses on manufacturing, particularly steel, machine tools, energy and engineering. It did not pursue the property and tourism-based expansion that characterised growth in the rest of Spain and which, of course, put the rest of Spain in an

incredibly vulnerable position when the global downturn came. There was a catastrophic collapse from which the larger country still has not recovered.

That example shows what can be done with full fiscal powers if people have a vision and focus on what they want to do with those powers. The Basques chose to reindustrialise. How much easier would it be for Scotland to meet some of our ambitious export targets, boost innovation and manufacturing and create well-paid jobs if we had the Basque Country's powers to help us do that?

The Deputy Presiding Officer: You are in your final minute.

Joan McAlpine: Quite a bit has been said about oil, on which I will finish.

As other members have said, oil prices go up and down, and it is true that they are currently depressed. However, the lack of fiscal autonomy meant that Scotland did not get the benefit from its resources when oil prices were high. For example, between 2009 and 2014, revenues from the Scottish North Sea totalled £32 billion, but over the same period the Scottish Government's budget was cut in real terms by 10 per cent. It is worth saying that, in all the years of Labour Government, when Scottish oil revenues raised £94 billion, not a penny was saved.

Somebody mentioned an oil fund and said that it is not mentioned any more. I would like to mention it.

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

Joan McAlpine: Norway set up its oil fund in 1990, when oil prices were relatively low. As a result, it has the largest sovereign wealth fund in the world. It faces the same challenges that we face with the oil price, but it is certainly not as nervous as we are about the future.

16:14

Nigel Don (Angus North and Mearns) (SNP): It has been an interesting debate, and I have to say that the most interesting contributions have come from those who have managed to get past the numbers and think about the people, although the numbers debate is also important. I was interested in Iain Gray's speech, but I particularly identify with what Neil Findlay said, or at least with his starting point. Despite my background being totally different from his, I absolutely identify with those younger members of our society who do not see a future, do not believe that anybody is much on their side, and have real difficulty in seeing any way forward at all.

I understand that, but it is not entirely true that no one is on their side, because the current Government and previous Scottish Governments over the years have tried, with the powers available to them, to improve education, make college places available to folk, increase the number of apprenticeships and improve our health service. What the current Government has done slightly better is that it has tried to remove inequalities.

I was not going to mention "The Spirit Level", but since John Mason said that I had better, maybe I should. There is some international evidence that it is a good thing to do in its own right; if members are not familiar with that book, I return to the general theme that they should be.

I want to pick up on the Deputy First Minister's amendment, which talks about all the things that I have mentioned—things that are within our powers and things that we would simply be able to do better if we had control over all the financial levers.

Neil Findlay: Mr Don could have all the powers that he wants, but if he is not prepared to redistribute the wealth in the economy he will not target the people I am speaking about. Can he tell us where the redistribution is happening at the moment under his Government?

Nigel Don: The Government is doing what it can, but it cannot spend money twice. I return to the point that Neil Findlay himself raised about the living wage, which I think we all support—at least, most of us do. I ask him please to recognise—unfortunately, some of his colleagues do not—that we cannot impose it. Current powers do not allow us to do that, and the idea that we should have put it in statute just ignores the fact that we have advice from the European Commission that that would not be lawful.

We do not have control over some extraordinarily important things. We do, however, have some control over where we spend our money on infrastructure and on improving the economic environment in which we are trying to operate. A lot of work is going into skills and colleges. We keep coming back to the issue of reduced college budgets. We cannot spend money twice, but I ask people to accept that the Government has worked hard to ensure that the courses that are available are ones that lead to employment. We ignore that at our peril. Health improvements include trying to get people not to smoke and to drink less. All of that kind of stuff is in the Government's portfolio, and I am delighted to say that we have worked on such things.

I was interested in what Gavin Brown said at the start of his contribution. I thought that he had probably remembered the same lecturer that I

did—someone by the name of McGee; forgive me for not remembering his first name—at the London Business School, who said that, when thinking about economics, one should be clear, stick to principles and not allow oneself to get confused by the figures. He was not saying that we should ignore the figures; he was saying that we should not get confused by them, because the long-term trends are the important ones. We all know that.

It is also easy to get hung up on one particular risk and ignore all the other risks. Nobody has yet considered any risks to the rest of the UK economy, compared with which we are, apparently, in such a bad place. A member of my family who lives in London is trying to find a property at the moment, and I can assure members that London has to be some kind of risk. I am not at all convinced that the banks have learned very much. The property market in London is stupid and unsustainable, and I put it to Mr Brown and others that simply looking at what is happening in Scotland and ignoring the risks of the rest of the UK economy might be short term; in fact, I think that it is very short term. What we should look at is the strength of the Scottish economy, which Mr Swinney and others are working on.

Would we be better off if we were running our own affairs? I do not know a single person who would rather have their affairs run by somebody else. It is an absolute fact across economies in the developed world that reducing inequalities is the thing to do. That involves the richer contributing more and the poorer doing better as a result. We also know that every person who has ever tried to run anything wants to be allowed to get on with running it themselves and not to have constraints put on by other people, whose agendas might be very different.

If we stick to those principles, we can see why SNP members feel that we would be better off with what we call full fiscal autonomy, which is the ability to run our own finances, for better or worse—and actually we will do it rather better.

16:20

Hugh Henry (Renfrewshire South) (Lab): There have been some curious contributions this afternoon, not least those that have attempted to help us to understand history. Gil Paterson, I think, suggested that we should look at what the situation was when we joined England. In doing so, he avoided what happened in two nations coming together. That built on a comment by Mike MacKenzie, who thought that, in looking at the economics of Scotland, we should go back 300 years. It might have been more relevant had he suggested that we go back 320 years to the Darien scheme and its consequences, which

propelled the two nations to come together when Scotland was bankrupted by the greed of its ruling classes and merchants. Some reports say that the lowlands of Scotland were decimated. I do not see his suggestion being of any advantage to us in trying to understand what happens now.

Neil Findlay used a useful phrase. When people are trying to learn English, they are often told that it is a very difficult language because we use words and phrases out of context, or we use them in a way that goes against their meaning. People who are learning English sometimes struggle with colloquialisms. The colloquialism of cutting off your nose to spite your face is a very good description of much of what has been said during the debate. If people really want to know what cutting off your nose to spite your face means, they should go back and read some of the speeches that have been made this afternoon, because that is exactly what many SNP members have been talking about. Nigel Don said it in a much softer way—he used the phrase “for better or worse”. Their position has been, “We don’t care what the consequences are as long as you give us the power to do what we want to do.” They ignore what the reality is for ordinary men, women and children the length and breadth of Scotland.

Some of the comments that have been made on social media today—clearly at the behest of SNP members and the SNP Government—are interesting. People have referred to the £400 per person more that we are paying in tax than people in the rest of the UK. That is all that we have heard from SNP members this afternoon. We have not heard about both sides of the balance sheet; we have heard only about the £400 per person more. Some people are even talking about demanding a rebate. Well, on you go—let us get back that £400 per person more that we have paid in taxes. However, will those people also offer to repay the £1,200 extra in public expenditure that we got at the same time? Is it a case of asking to get back the extra money that we paid out and conveniently forgetting about the rest? That is bizarre. As Jackie Baillie said, it is the economics of the madhouse.

Just today, the Joseph Rowntree Foundation published a report on deprivation and how councils are struggling to cope. One of the councils that it mentions is mine. The report is positive about what Renfrewshire Council is trying to do, but let us look at the effect of the extra 10 per cent cut if we lose Barnett—because that is what it will mean. A 10 per cent extra cut for Renfrewshire over and above the cuts that have already been imposed would represent £30 million a year—that is £30 million a year over and above what has already happened.

What has happened since 2007 in Renfrewshire? Between 2007 and 2012, when the SNP first ran the Government here at Holyrood and when the SNP, with the support of the Liberal Democrats, ran Renfrewshire Council, 2,000 jobs were lost. Despite the exhortations of John Swinney and others, 265 of them were teachers, and 80 were classroom assistants. When there is more by way of cuts, how will Renfrewshire Council cope? How will it cope with those extra cuts, given the way that it is struggling just now? What will those extra cuts mean for those who rely on our social work services and our care services? So that it can cope, the health service will try to put the pressure on to social work. Charges will have to go up and services will have to be reduced. Those are the consequences of full fiscal autonomy and of losing out on Barnett.

We can bandy words about and play with figures—we can do what we want—but let us at least be honest that we are talking about the lives of the ordinary men, women and children who will suffer as a result. By all means, let us look back 300 years, or 320 years, if members want. By all means, let us say “for better or worse” because we do not care about the consequences, but we should at least be honest that those consequences will be inflicted. We will get more austerity and it will hit hard those who are under most pressure and least able to cope. It will be the poor who will suffer from the bizarre notion of full fiscal autonomy.

The Deputy Presiding Officer: I apologise to the member whom I have been unable to call. We now turn to the closing speeches. As ever, I expect members who participated in the debate to be in the chamber for the closing speeches.

16:27

Willie Rennie: It has been a little while since we have heard the slogan, or trite retort, that those who question SNP policy are talking the country down, are not acting in Scotland’s interests and are not interested in the future of our nation. That simple, trite retort that we have heard so often today reveals the deeper conceit that if we question an SNP policy we are talking the country down, but the two are not one and the same thing, and thank goodness they are not.

We heard from Gil Paterson, who has not returned to his seat, two astonishing things. First, he said that Scotland is subsidising the UK. He used as evidence the extra £400 of tax per head that we contribute to the United Kingdom. As we heard from several members, that completely ignores the £1,200 per head of extra spending that we get in Scotland. Scotland subsidises the UK by minus £800—as John Swinney might call it, “a

relative surplus". Perhaps Gil Paterson should use John Swinney's terminology in the future.

The second thing that Gil Paterson said—he is still not in his seat—was that the SNP does not want to abolish the Barnett formula. That is from a party that wants full fiscal autonomy—that is, to keep all our taxes. Unless Gil Paterson is proposing that the rest of the UK might put up with continuing to pay a Barnett share for our public services in Scotland as well as our keeping all our taxes here, he needs to review his position on that.

John Mason: How does Willie Rennie interpret the no-detriment principle, which is that if another power is given to Scotland neither Scotland nor the UK should be better or worse off?

Willie Rennie: That is a reasonable approach, for the initial stages. However, one would want the country to be responsible if we are to have more responsibility over taxes. To suggest—John Mason did not dispute this—that the SNP is proposing to abolish the Barnett formula for full fiscal autonomy is wrong.

Murdo Fraser was right when he mentioned the leaflets that were put around during the referendum. I have one here. It says:

"We got ... 9.3%"—

of UK public spending.—

"We gave ... 9.9%"

of Scotland's tax contribution to the rest of the UK.

John Swinney did not point out the revised figures. According to the GERS figures, the share of UK public spending in Scotland remains at 9.3 per cent because, through the Barnett formula, the UK Government manages to maintain the share at that level. However, the percentage that we give falls from 9.9 per cent to 8.6 per cent.

I expect that the SNP will be producing new leaflets to post in all the doors to correct all the figures, because it is important that we understand fully the consequences of full fiscal autonomy. It would mean a dramatic change to our public finances and a dramatic reduction in spending on public services.

John Swinney was adamant when he said that even the Treasury's figures, which were used to dispute Nicola Sturgeon's speech in London, showed that debt as a percentage of GDP would fall over the next session of Parliament. He said that quite clearly. According to the Treasury figures that I have here, the debt to GDP ratio will be 81.1 per cent in 2015-16, which will increase to 81.4 per cent in 2019-20. I hope that John Swinney will correct what he said in his summing up and say that it is true that Nicola Sturgeon's claim that the debt would go down in every single

year is wrong. The claim that the debt would go down over the period of the next Parliament is not true either. I expect John Swinney to correct that, too.

I was pleased that Stuart McMillan proclaimed that we are making economic progress in Scotland. He did not give any credit to the UK Government—just like his boss, John Swinney. Nevertheless, we have made progress and I was pleased that he acknowledged that. There have been 187,000 extra jobs created since 2010, there is record high employment and wages are outstripping inflation. Our growth is also vying with that of the United States of America. We are making significant progress.

Stuart McMillan: Will Willie Rennie take an intervention?

Willie Rennie: Not now.

An excuse that the nationalists provide for the pretty poor figures is that we do not have all the economic tools or powers in Scotland. Nevertheless, they still take the credit for all the economic progress that has been made in the country.

During the referendum, they proclaimed repeatedly that a policy that would boost the economy would be a 3 pence cut in corporation tax. Not one back bencher mentioned that today and not one back bencher mentioned it last week. Without that tool in the box, how on earth will we repair the poor figures? The SNP has dispensed with one of its central economic policies.

Today, we have found that the SNP is running out of excuses. It is just as well that we did not vote yes last year, or public finances would be feeling the pressure.

16:33

Gavin Brown: I must say that this has, at times, been a bizarre debate. Today, I learned from Stuart McMillan, of all people, that the Prime Minister is apparently a big fan of full fiscal autonomy. I must have missed a memo on that one. I must check my emails when I get back to my office, so that I can see that in writing.

We heard from Nigel Don, who said in a debate about the economy that people should not get confused about the numbers. His advice seemed to be that we just need to read "The Spirit Level". I may follow his advice later on, but I suspect that he was not getting confused about the GERS figures because he has not looked at or read them. It is very easy not to be confused if one does not look at them at all.

Nigel Don: I am grateful to Gavin Brown for taking an intervention. I recognise political sniping

when I see it, so I make the point that I am familiar with the numbers, although I probably have not looked at them in too much detail. I was trying to make a point about general drift and trends that oscillate over long periods of time. I think that Mr Brown understands that.

Gavin Brown: Of course I understand that, but if we were to go for full fiscal autonomy and in year 1 we were £3 billion or £4 billion or £5 billion down, we would have to solve that problem immediately. We would not have the luxury of being able to say what might “oscillate” in the longer term; we would be faced at once with the problem and the kind of issues that Hugh Henry and Neil Findlay talked about.

Paul Johnson of the Institute for Fiscal Studies was asked today about full fiscal autonomy and he explained it very clearly and simply. He said that the onshore tax takes per head of Scotland and the UK are broadly identical; they are almost the same. Spending per head is significantly higher in Scotland to the tune of £1,200, as we heard in the debate. That means that there is a gap to be filled.

If we have a particularly strong year for oil in which production goes well, costs are low and the oil price is high, much of that gap, if not all of it, can be plugged. In some years gone by, there is no doubt that that gap was plugged; it might also be plugged in some future years. However, in many years, that gap will not be plugged, and in other years, it will not even come close to being plugged, hence we have a £12 billion deficit, according to today's GERS figures. That deficit is likely to grow, based on the oil revenues that Oil & Gas UK has projected for the current financial year of 2014-15. We would therefore be financially worse off in the short term. Mr Johnstone described that as simple arithmetic.

Joan McAlpine: Does Gavin Brown accept that the UK has had a deficit in 43 of the past 50 years?

Gavin Brown: Yes I do—but we have to look at the relative deficits. For Scotland it is 8.1 per cent—

Members: Oh!

The Deputy Presiding Officer: Order please.

Gavin Brown: This is important because the SNP Government's entire and central case is that we would be better off under full fiscal autonomy. It does not say that we would be the same or that we would be marginally worse off; its central position is that we would be better off. My point is that if we have a deficit of 8.1 per cent and the UK has a deficit of 5.6 per cent, and ours is likely to grow if the oil figures come in as projected, we will have a problem in year 1. The SNP's entire case is that we would be better off. It is for the SNP to

demonstrate and prove how that would be the case.

As ever, Mr Swinney complained about the size of the debt without adding the fact that he wants to add £180 billion to that debt. He nods as I say that; he is not even embarrassed about it. More than that, the Scottish Government has no plan to eliminate the deficit. In the paper that the Scottish Government produced, the deficit goes down but we would still have a deficit five years hence. If we follow that trajectory, it would probably be at least two parliamentary sessions, if we are being generous, before the deficit was eliminated. I simply ask Mr Swinney what impact it would have on markets and investors if we said that we do not plan to eliminate the deficit for at least two parliamentary sessions.

John Swinney's comment that debt as a percentage of GDP will fall is simply not true. Again according to the Treasury, if it was 81.1 per cent in the base year, by 2019-20 it would be 81.4 per cent, which is an increase in the overall size of the debt. That is based on Scottish Government figures.

The figures for GERS for this year are really challenging and those for next year will be more challenging still. In the longer term, the position could be even more challenging because of the underlying trends, the cost pressures that we are likely to face because of our demographics and the fact that the revenues on which we rely are volatile and will diminish over time. For that reason, I repeat our call for the Scottish Government to publish its projections based on full fiscal autonomy. It published “Outlook for Scotland's Public Finances and the Opportunities of Independence” last year so why not do as it has done in the past couple of years and publish a new outlook that is based on new short and long-term oil and gas tax take figures and on full fiscal autonomy? It would then be up to the people of Scotland to make decisions based on the facts and figures in front of them.

16:39

John Swinney: The first thing that I need to do at the outset of this speech is deal with the point that Willie Rennie raised about the information that I had given to Parliament. I want to be absolutely crystal clear about what I said to Parliament, because the information that we set out matters. I said to Willie Rennie that, in the Treasury analysis, by the end of the next session of Parliament the debt-to-GDP ratio will be falling. I will put the Treasury analysis numbers on the record: the ratio will be 81.1 per cent in 2015-16; then 81.9 per cent; then 82.2 per cent, which is rising; then 82 per cent, which is falling; then 81.4 per cent, which is falling. By the end of the next session of

Parliament the ratio will be on a trajectory that is falling. That is what I said to Parliament earlier on, and that is from the Treasury's analysis.

Willie Rennie: John Swinney reads very well, but will he admit that the figure goes up from 81.1 per cent in the first year to 81.4 per cent? Nicola Sturgeon claimed that it would be going down, which is not true.

John Swinney: Mr Rennie may compliment me on my reading, but I cannot compliment him on his listening. Just 30 seconds ago I read out the self-same numbers that he just read out—*[Interruption.]*

The Deputy Presiding Officer: Order, please.

John Swinney: I will read them out again, if Gavin Brown is hard of hearing. The number goes from 81.1 per cent, to 81.9 per cent, to 82.2 per cent. It then comes down to 82 per cent, then to 81.4 per cent. That is a downwards trajectory.

If we look at the share of the deficit we see that the deficit is going down, into the bargain. Even the Treasury accepts that point in its analysis. Even if I looked at an analysis that accepted the need for the level of debt to fall consistently in each year—I will again put the numbers on the record: 81.1 per cent at present, staying at 81.1 per cent in 2016-17, then down to 81 per cent, then 80.95 per cent in 2019-20, which is a trajectory that goes down consistently—that would still enable us to commit to £161.5 billion of additional expenditure if there was a will to take an alternative strategy to the current UK Government's austerity.

Willie Rennie: Will John Swinney read out some other figures that show that the debt interest payments that will be required for the final year will be £4.7 billion? That is not money that will be invested, but money to pay back to the people from whom we borrowed the money in the first place.

John Swinney: Is Mr Rennie in any way aware of the level of interest-servicing charges that the current UK Government is incurring? Such charges are not something new. Mr Rennie throws his hands up to suggest that it is going up. Debt interest charges have gone up because the UK Government has had to borrow, because it failed to deliver the growth that it predicted. Unfortunately for Mr Rennie's glowing enthusiasm for the UK Government's performance, he omits the fact that the growth that was predicted in 2011, 2012 and the largest part of 2013 failed to materialise and, as a consequence, the chancellor has had to borrow significantly more than he expected in 2010. The First Minister has set out an approach that can ensure that we can choose not go down the route of austerity that is the Conservative Government's priority.

Gavin Brown: Following the trajectory that has been set by the Scottish Government—John Swinney can use his figures to answer this, not the Treasury's figures—at what point and in which year will the deficit be eliminated?

John Swinney: The deficit will be eliminated much later than is currently predicted by the UK Government, because we want to borrow to finance and support growth in the economy. That is the Scottish Government's priority.

In several heartfelt contributions, Neil Findlay, Iain Gray, Hugh Henry and Alex Rowley gave a number of examples of how the current financial position is affecting public services in Scotland. I have outlined clearly to Parliament the financial strain that we are managing because our budget has since 2010 fallen by 10 per cent in real terms. We should not be at all surprised that there are difficulties and challenges in our public services as a consequence of that significant reduction in public expenditure.

Why, in that case, the Labour Party has committed itself to supporting the charter for budget responsibility and to £30 billion of further cuts in UK public expenditure is beyond me. I do not know how Labour Party members can believe that the public finances and public services of our country will be put in a stronger position as a consequence of £30 billion of cuts.

Alex Rowley asked us to support a position of ending austerity under Labour. Austerity will continue under a Labour Government as a consequence of the announcements that the Labour Party has made.

Malcolm Chisholm (Edinburgh Northern and Leith) (Lab): The cabinet secretary is, as he will be aware, quite wrong about Labour's spending plans. He has two minutes of his speech left, and he has not yet begun to address the motion from the Labour Party. Is that because he realises that we are telling the truth?

John Swinney: I am answering—*[Interruption.]*

The Deputy Presiding Officer: Order, please.

John Swinney: I am not sure whether Mr Chisholm was in the chamber earlier, but I answered many of the points in the Labour motion at the beginning of the debate. I am now answering points that members have raised during the debate, and I am reminding Mr Chisholm that he is a member of a party that supports £30 billion of cuts in public expenditure as a consequence of signing up to the charter for budget responsibility.

Neil Findlay: Mr Swinney will be fully aware, having sat in the House of Commons, that one Parliament cannot bind another, so he knows that he is talking rubbish.

John Swinney: That was a really worthwhile contribution to wait for.

According to the logic that Neil Findlay has described—that one Parliament in the UK cannot bind another Parliament—the commitments that the UK Parliament has made to guarantee the permanency of the Scottish Parliament are meaningless. Is that what Mr Findlay is saying? Are those commitments meaningless, because the next UK Parliament could come along and abolish this Parliament? If Mr Findlay wants a lesson in ridiculous arguments, he has set one out very clearly. *[Interruption.]*

The Deputy Presiding Officer: Order, please.

John Swinney: Mr Findlay should listen to what his Labour colleagues are saying: they are committing daily to being tough on public spending and to attacking people who are on welfare. Rachel Reeves and Ed Balls are setting out the austerity agenda on a daily basis. If I can hear them saying those things, I am sure that Mr Findlay must be able to hear them.

The Scottish Government has consistently set out our view that Scotland should be in a position to determine our own affairs, to take control of our own resources and to take meaningful steps to improve the country's economic performance. Joan McAlpine made an excellent contribution by noting comparative international examples in which other jurisdictions had secured full financial responsibility and had been able to take their countries on a better and more productive course by investing in the capabilities of their economies, investing in and supporting innovation, implementing tax measures to improve their company base, and protecting the working and living standards of individuals through employment regulation. We would wish to take forward such a commitment, but that has eluded us because the Smith commission was not prepared to agree to such proposals. If we had those responsibilities, we would be able to create a stronger set of economic foundations for Scotland.

The GERS report that was published today demonstrates that Scotland is a wealthy country. There are some years in which we are in a stronger financial position than the rest of the UK, and other years in which we are not, but throughout the process we have strong economic foundations. The opportunity to extend our fiscal and economic responsibilities would allow us to strengthen those foundations even further.

16:49

Lewis Macdonald (North East Scotland) (Lab): Yesterday, we debated the need for action to support the oil and gas sector. The SNP's central proposition in that debate was that the

Chancellor of the Exchequer should reduce the headline rate of supplementary charge for North Sea profits by some 33 per cent, and the need for fiscal action was supported across the chamber. However, what we have learned today from the GERS report is that, even without the fiscal changes that we now clearly need, revenue to the Exchequer from North Sea oil and gas had already fallen by 24 per cent, even before the current oil price crisis began.

We know that the fall in the price of oil has wiped out the profits of many marginal fields. Therefore, the fall in revenue in this financial year and the next will be more severe still. That is very bad news indeed for the industry and for those who work in it. It is also very significant in its impact on the political choices that we face, because the general election in May offers choices to voters. We believe that most people have had enough of austerity—of paying for deficit reduction at the expense of public services. That choice in May is what matters most. Far from following the Tory austerity plans, as John Swinney has claimed, Labour has already made it clear that if we win the May election, public spending over the next term would be of a different order than it would be if we did not.

Gavin Brown mentioned Paul Johnson. Last night, Paul Johnson confirmed that vital difference. The Institute of Fiscal Studies believes that the difference between Labour and Tory spending plans will be of the order of £24 billion a year by the end of the next Parliament. Not only that, the IFS also reflected on how far the SNP spending plans shadowed those of Labour.

We believe that most voters want to find a better way to tackle the deficit, over a longer time and at less cost. We believe that it will take a change of Government to do that and that a Labour Government will deliver a very different approach to public spending and deliver the Smith agreement on further devolution to Scotland.

However, rejecting the Tories at the polls in Scotland will not be enough because the SNP has confirmed today that it will fight the election on a platform of full fiscal autonomy. That is not in accordance with the Smith agreement, which very specifically sets out that Scotland remains part of the UK and that we remain part of the fiscal union.

Full fiscal autonomy, as we have heard, is not just to reject Smith; it is to reject Barnett, too. The tax and spending relationship between the Scottish and UK Governments is a two-way street. For most of the past 30 years, the extra spending in Scotland has been balanced by the extra revenue raised in Scotland because of North Sea oil. The STUC—which has been quoted already by Alex Rowley—described the relationship succinctly:

"The STUC has consistently argued that ... Scotland's funding settlement with the UK is entirely fair in the context of its historic and anticipated fiscal contribution".

In other words, oil offsets Barnett, so while Scotland gets extra spending on the grounds of its relative disadvantage, that was justifiable historically, despite changes in that relative disadvantage, because of Scotland's contribution to UK revenues from offshore oil and gas.

The STUC is not therefore arguing for any change to the relationship; it is simply arguing that what works best is the combination of block funding and the proposals for tax devolution that the Smith agreement contains.

Today's GERS figures show that the balance has already shifted. In 2013-14, Government revenues from oil and gas have already dipped below £4 billion. That is not a result of the falling price of oil; it reflects the fact that North Sea oil production passed its peak some years ago and levels of production continue to decline.

Mike MacKenzie: Can Lewis Macdonald perform the calculation on the resulting increase in revenues if the Wood report recommendations were followed, or indeed if we were able to realise the 60 per cent recovery rate from oil fields that the Norwegian sector is able to realise compared with the 40 per cent rate in the UK-managed fields?

Lewis Macdonald: The matters that are contained in the Wood report are very significant indeed. However, Ian Wood does not pretend that any changes whatsoever can guarantee either future production or future revenues. That is one of the critical points that the SNP has clearly missed.

The logic of full fiscal autonomy is fatally undermined because of the current economic circumstances. What Scotland might hope to gain no longer matches what Scotland stands to lose, because full fiscal autonomy means funding our own services from our own resources. Even for those who support it in principle, it only makes sense if the sums add up.

The Labour members do not support full fiscal autonomy in principle. We believe that it would be better to deliver real powers to the Parliament but to do so in the context of shared as well as devolved taxes, shared as well as devolved welfare, and common pensions across the UK.

If there ever was a case for full fiscal autonomy, it is certainly gone now. We have heard the numbers. The public revenue black hole of £6 billion is demonstrable and has not been denied even by those who disagree with us. Going back to our oil revenues of the 1990s is not an option, no matter how fond SNP members might be of doing precisely that. John Swinney's time machine

visiting the best past years of relative surplus, as he likes to call it, is no more reasonable or productive than Mike MacKenzie's flights of fantasy into the distant future.

Indeed, John Swinney told us that the net fiscal balance in Scotland was better than that for the UK in two of the past five years. He forgot to tell us—I hope that he will hear the point—that that was not the case in 12 of the past 16 years, which shows that even Mr Swinney would be better to address the situation that we face today rather than dwell on history.

The fall in Scotland's fiscal deficit that Mr Swinney highlighted was, of course, a fall in revenue and expenditure and, therefore, not something of which he should boast. It is a result of the austerity cuts that he claims to oppose.

In the conclusion to his response to our motion, Mr Swinney said that anyone who questioned the assumptions that the Scottish Government chose to make was guilty of talking Scotland down. We heard the same from one or two of his back benchers. Surely it is not unduly pessimistic or unreasonable to query all the claims that SNP ministers have made.

Of course an increase in exports of 50 per cent would be welcome—the Economy, Energy and Tourism Committee is considering how to achieve an increase in exports—but to pretend that that can simply be assumed in planning Scotland's future fiscal situation is not prudent financial management, nor is it talking Scotland up. It is simply wishful thinking.

Higher productivity, higher economic growth and increasing exports are objectives shared across a wide spectrum of opinion, but wanting them is not the same as achieving them. The question for the Government must be: what changes in the sources of revenue or expenditure will help to make that happen? Surely the one thing that we should not do is walk away from the Barnett funding that has served us so well and instead expose Scottish Government revenues to the volatility of global oil prices and the certainty of a long-term decline in North Sea production.

Stuart McMillan talked about the draft clauses to implement the Smith agreement as a reason to walk away from the agreement and then proposed that it was possible to apply the Smith principle of no detriment in the event of full fiscal autonomy. John Mason made the same point. *[Interruption.]*

The Deputy Presiding Officer: Excuse me a moment, Mr Macdonald. There is a bit too much chat in the chamber.

Lewis Macdonald: Thank you.

Mr McMillan and his colleagues need to understand that the Smith agreement is founded

on the continuation of the Barnett formula. John Swinney knows that, because he signed it. We can have Smith and Barnett but we cannot have Smith without Barnett and we cannot have either if we have full fiscal autonomy.

Gil Paterson argued that no one on his side was arguing, or had argued, for the scrapping of the Barnett formula. Surely that, even more than some of the other comments that we have heard, misunderstands the nature of the full fiscal autonomy that is his party's policy. Full fiscal autonomy must mean the loss of the Barnett benefit to public spending. By exposing us to risks that we cannot control, it also directly undermines the objective of growing productivity, exports and the economy that has been endorsed.

Of course, there are political risks to sustaining the Barnett formula. They are well understood and there are political steps that democratically elected politicians can take to mitigate them. The Smith agreement is one such important step. However, in Scotland or the UK, we cannot control the economic risks of locking our public services into direct dependence on oil revenues.

Our best defence against the volatility of oil prices is to share those risks across the UK. That is what we have done and should continue to do in Scotland's interests. As the STUC said today, the GERS report

"is a sobering reminder of some of the risks of full fiscal autonomy for Scotland."

Instead, a continuing block grant combined with increased tax devolution is the best mechanism for secure and predictable funding for Scottish public services.

We have heard in many of the speeches—particularly but not only from Labour members—about the public services that would be at risk in the event that the Barnett formula ceased to apply. Those risks come with votes for a party that supports full fiscal autonomy. Labour will continue to support the view on those matters that the Scottish Trades Union Congress put so effectively today. We are better to work within the context of the Smith agreement and the Barnett formula and to reject full fiscal autonomy entirely.

Business Motion

17:00

The Deputy Presiding Officer (Elaine Smith):

The next item of business is consideration of business motion S4M-12597, in the name of Joe FitzPatrick, on behalf of the Parliamentary Bureau, setting out a business programme.

Motion moved,

That the Parliament agrees the following programme of business—

Tuesday 17 March 2015

2.00 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Topical Questions (if selected)

followed by Scottish Government Debate: Scotland's Place in Europe

followed by Scottish Parliamentary Corporate Body Motions: Amendments to the Scottish Parliament Salaries Scheme and the Reimbursement of Members' Expenses Scheme

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Wednesday 18 March 2015

2.00 pm Parliamentary Bureau Motions

2.00 pm Portfolio Questions
Education and Lifelong Learning

followed by Independent and Scottish Green Party Business

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 19 March 2015

11.40 am Parliamentary Bureau Motions

11.40 am General Questions

12.00 pm First Minister's Questions

followed by Members' Business

2.30 pm Parliamentary Bureau Motions

followed by Scottish Government Debate: Health and Social Care Integration

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

Tuesday 24 March 2015

2.00 pm Time for Reflection

followed by Parliamentary Bureau Motions
followed by Topical Questions (if selected)
followed by Scottish Government Business
followed by Business Motions
followed by Parliamentary Bureau Motions
 5.00 pm Decision Time
followed by Members' Business

Wednesday 25 March 2015

2.00 pm Parliamentary Bureau Motions
 2.00 pm Portfolio Questions
 Fair Work, Skills and Training;
 Social Justice, Communities and
 Pensioners' Rights
followed by Scottish Government Business
followed by Business Motions
followed by Parliamentary Bureau Motions
 5.00 pm Decision Time
followed by Members' Business

Thursday 26 March 2015

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

Motion agreed to.

Parliamentary Bureau Motions

17:00

The Deputy Presiding Officer (Elaine Smith):
 The next item of business is consideration of 10 Parliamentary Bureau motions.

I ask Joe FitzPatrick to move motions S4M-12598, S4M-12599, S4M-12601 and S4M-12604 to S4M-12608, on the approval of Scottish statutory instruments, and motions S4M-12609 and S4M-12610, on committee membership and substitution on committees.

Motions moved,

That the Parliament agrees that the Revenue Scotland and Tax Powers Act (Interest on Unpaid Tax and Interest Rates in General) Regulations 2015 [draft] be approved.

That the Parliament agrees that the Scottish Landfill Tax (Qualifying Material) Order 2015 be approved.

That the Parliament agrees that the Scottish Landfill Tax (Standard Rate and Lower Rate) Order 2015 [draft] be approved.

That the Parliament agrees that the Revenue Scotland and Tax Powers Act (Postponement of Tax Pending a Review or Appeal) Regulations 2015 [draft] be approved.

That the Parliament agrees that the Proceeds of Crime Act 2002 (Disclosure of Information to and by Lord Advocate and Scottish Ministers) Amendment Order 2015 [draft] be approved.

That the Parliament agrees that the Revenue Scotland and Tax Powers Act (Record Keeping) Regulations 2015 [draft] be approved.

That the Parliament agrees that the Revenue Scotland and Tax Powers Act (Reimbursement Arrangements) Regulations 2015 [draft] be approved.

That the Parliament agrees that the Scottish Tax Tribunals (Voting and Offences etc.) Regulations 2015 [draft] be approved.

That the Parliament agrees that Annabel Goldie be appointed to replace Alex Johnstone as a member of the Equal Opportunities Committee.

That the Parliament agrees that Alex Johnstone be appointed to replace Annabel Goldie as the Scottish Conservative and Unionist Party substitute on the Equal Opportunities Committee.—[Joe FitzPatrick.]

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

Decision Time

The Deputy Presiding Officer (Elaine Smith):

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

I remind members that, in relation to the debate on supporting Scotland's economy, if the amendment in the name of John Swinney is agreed to, the amendment in the name of Willie Rennie falls. I also remind members that, if they disagree with a question, they should say so loudly.

The first question is, that amendment S4M-12591.3, in the name of John Swinney, which seeks to amend motion S4M-12591, in the name of Jackie Baillie, on supporting Scotland's economy, be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allard, Christian (North East Scotland) (SNP)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Harvie, Patrick (Glasgow) (Green)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)

Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Russell, Michael (Argyll and Bute) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (Ind)
 Yousaf, Humza (Glasgow) (SNP)

Against

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

Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stewart, David (Highlands and Islands) (Lab)

The Deputy Presiding Officer: The result of the division is: For 62, Against 55, Abstentions 0.

Amendment agreed to.

The Deputy Presiding Officer: As that amendment was agreed to, the amendment in the name of Willie Rennie falls.

The next question is, that amendment S4M-12591.2, in the name of Gavin Brown, which seeks to amend motion S4M-12591, in the name of Jackie Baillie, on supporting Scotland's economy, as amended, be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Brown, Gavin (Lothian) (Con)
 Buchanan, Cameron (Lothian) (Con)
 Campbell, Roderick (North East Fife) (SNP)
 Carlaw, Jackson (West Scotland) (Con)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Davidson, Ruth (Glasgow) (Con)
 Dugdale, Kezia (Lothian) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Findlay, Neil (Lothian) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Henry, Hugh (Renfrewshire South) (Lab)
 Hilton, Cara (Dunfermline) (Lab)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alex (North East Scotland) (Con)
 Kelly, James (Rutherglen) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Macdonald, Lewis (North East Scotland) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 Malik, Hanzala (Glasgow) (Lab)
 Marra, Jenny (North East Scotland) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 McArthur, Liam (Orkney Islands) (LD)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McMahon, Michael (Uddingston and Bellshill) (Lab)
 McMahon, Siobhan (Central Scotland) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Milne, Nanette (North East Scotland) (Con)

Mitchell, Margaret (Central Scotland) (Con)
 Murray, Elaine (Dumfriesshire) (Lab)
 Pearson, Graeme (South Scotland) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stewart, David (Highlands and Islands) (Lab)

Against

Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allard, Christian (North East Scotland) (SNP)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Keir, Colin (Edinburgh Western) (SNP)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Rowley, Alex (Cowdenbeath) (Lab)
 Russell, Michael (Argyll and Bute) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)

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

Abstentions

Harvie, Patrick (Glasgow) (Green)
 Johnstone, Alison (Lothian) (Green)

The Deputy Presiding Officer: The result of the division is: For 54, Against 61, Abstentions 2.

Amendment disagreed to.

The Deputy Presiding Officer: The next question is, that motion S4M-12591, in the name of Jackie Baillie, on supporting Scotland's economy, as amended, be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allard, Christian (North East Scotland) (SNP)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Harvie, Patrick (Glasgow) (Green)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)

Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Robison, Shona (Dundee City East) (SNP)
 Russell, Michael (Argyll and Bute) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (Ind)
 Yousaf, Humza (Glasgow) (SNP)

Against

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

Rowley, Alex (Cowdenbeath) (Lab)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stewart, David (Highlands and Islands) (Lab)

The Deputy Presiding Officer: The result of the division is: For 62, Against 55, Abstentions 0.

Motion, as amended, agreed to,

That the Parliament believes Scotland should have the powers that it needs to create a jobs-rich, more equal and more locally-based economy; further believes that this is key to reducing inequality and promoting a sustainable future; agrees that the UK Government's fiscal austerity programme is having a disproportionate impact on the poorest in society and will reduce public spending to its lowest level since the 1930s, and calls on the UK Government to end the unfair cuts to public spending and invest to protect public services.

The Deputy Presiding Officer: I propose to put a single question on motions S4M-12598, S4M-12599, S4M-12601 and S4M-12604 to S4M-12608, on the approval of Scottish statutory instruments. If any member objects to a single question being put, they should say so now.

Since no member has objected, the next question is, that motions S4M-12598, S4M-12599, S4M-12601 and S4M-12604 to S4M-12608, in the name of Joe FitzPatrick, on the approval of SSIs, be agreed to.

Motions agreed to,

That the Parliament agrees that the Revenue Scotland and Tax Powers Act (Interest on Unpaid Tax and Interest Rates in General) Regulations 2015 [draft] be approved.

That the Parliament agrees that the Scottish Landfill Tax (Qualifying Material) Order 2015 be approved.

That the Parliament agrees that the Scottish Landfill Tax (Standard Rate and Lower Rate) Order 2015 [draft] be approved.

That the Parliament agrees that the Revenue Scotland and Tax Powers Act (Postponement of Tax Pending a Review or Appeal) Regulations 2015 [draft] be approved.

That the Parliament agrees that the Proceeds of Crime Act 2002 (Disclosure of Information to and by Lord Advocate and Scottish Ministers) Amendment Order 2015 [draft] be approved.

That the Parliament agrees that the Revenue Scotland and Tax Powers Act (Record Keeping) Regulations 2015 [draft] be approved.

That the Parliament agrees that the Revenue Scotland and Tax Powers Act (Reimbursement Arrangements) Regulations 2015 [draft] be approved.

That the Parliament agrees that the Scottish Tax Tribunals (Voting and Offences etc.) Regulations 2015 [draft] be approved.

The Deputy Presiding Officer: The next question is, that S4M-12609, in the name of Joe

FitzPatrick, on committee membership, be agreed to.

Motion agreed to,

That the Parliament agrees that Annabel Goldie be appointed to replace Alex Johnstone as a member of the Equal Opportunities Committee.

The Deputy Presiding Officer: The final question is, that S4M-12610, in the name of Joe FitzPatrick, on substitution on committees, be agreed to.

Motion agreed to,

That the Parliament agrees that Alex Johnstone be appointed to replace Annabel Goldie as the Scottish Conservative and Unionist Party substitute on the Equal Opportunities Committee.

Commonwealth Day 2015

The Deputy Presiding Officer (John Scott):

The final item of business today is a members' business debate on motion S4M-12441, in the name of Patricia Ferguson, on young people and the Commonwealth, Commonwealth day 2015. The debate will be concluded without any question being put.

Motion debated,

That the Parliament recognises the valuable role of the Commonwealth in building relationships between nations across the world; welcomes the continued contribution of Scotland and its people to these relationships; acknowledges the challenges, as well as benefits, particularly for young people, and reaffirms its support for the work of the Commonwealth Parliamentary Association.

17:08

Patricia Ferguson (Glasgow Maryhill and Springburn) (Lab): Thank you, Presiding Officer. As you are aware, Parliament holds this parliamentary debate every year on or around Commonwealth day. Although the motion that we are considering tonight was lodged in my name, it is not solely my debate but one that is sponsored by the Commonwealth Parliamentary Association branch executive. We will hear from my colleagues on the branch executive, Margaret Mitchell, Tavish Scott and Sandra White, in the course of the debate.

The theme of this year's Commonwealth day is young people. That seems to me to be a particularly relevant theme to pursue in a Commonwealth of 2.2 billion citizens, 60 per cent of whom are under the age of 30. As part of the celebration of Commonwealth day, the CPA branch will hold a reception immediately after the debate, which will be attended by university students from around Scotland and by young people nominated by the 13 consuls general and honorary consuls general who are based in Scotland to represent Commonwealth countries.

Immediately before the debate, we held a round-table discussion on issues for the Commonwealth and specifically the issue of violence against women and girls. We were joined in that discussion by 22 young people from Scotland's universities, and they have joined us again in the public gallery this evening. On behalf of the branch, I thank each and every one of them for their insightful contributions, their challenging questions to us and the thought-provoking issues that they raised with us, which we will no doubt reflect on and take forward. They encapsulated exactly what the Commonwealth should be about and what the Commonwealth day celebration should be about. We thank them for their contribution.

Violence against women and girls is not confined to one region; it affects us all. At a recent conference that I attended along with my colleagues Sandra White and Cara Hilton, we heard Baroness Scotland speak of her time as a Government minister, during which she pursued the issue. She engaged researchers from Lancaster University to ensure that she had the very best arguments at her fingertips. They estimated that the cost to the state in England and Wales of domestic violence was £23 billion. Baroness Scotland used that staggering figure to persuade her Cabinet colleagues that they had a financial stake in tackling domestic violence as well as a moral obligation to do so.

The same research demonstrated that, for every £1 that is spent on initiatives to tackle domestic abuse or to raise the profile of attempts to combat it, £6 is saved. There are 53 countries in the Commonwealth, so how much money could be saved if domestic violence was eliminated? That is a challenge, but it is an objective that is worth aiming for.

Domestic violence is not the only form of violence to which women and girls are exposed. We do not know how many girls who are normally resident in Scotland have been subjected to female genital mutilation, but we know that it is an abhorrent practice that is physically and psychologically damaging and we know that it is not a requirement of any religion. Indeed, some 350 faith leaders have asserted that it forms no part of the practices of their faiths. However, the culture persists and, as we discussed with the young people whom we met this afternoon, it is often the women in society who regard the practice as desirable for their children and grandchildren. We have to challenge and combat those views wherever they occur.

I warmly welcome the additional funds that the First Minister has announced for that this week, but it remains the case that there have been no successful prosecutions in any of the jurisdictions of the United Kingdom to date. We must be alive to the issue and do everything that we can to raise awareness of it. As was put to us this afternoon, how can we talk to other countries in the Commonwealth about their practices if we have been unable to prosecute people for the crime? There have, however, been prosecutions for human trafficking, which often involves women and sometimes men being forced into forms of modern slavery and into lives of drudgery and despair.

The world that our young people are inheriting has its challenges and advantages. To my mind, the internet is both a challenge and an advantage. At a recent CPA conference, we heard examples of the kinds of exploitation that can occur online.

The presentation was harrowing. We heard of one website, which was hosted in the USA, that operated on the basis that, if people did not pay a sum of money, explicit photographs of them would be posted online. Even women who were sure that no such photograph existed paid up, because they were afraid of the consequences of family, friends or employers finding out.

In some cases, the situation is much worse, with children and young people being abused and film of that abuse being shown online. Governments across the Commonwealth have taken various actions to prevent such abuse, but it is not easy to legislate against it. To demonstrate the difficulty, we were told that, 19 years ago, it was estimated that 18 per cent of the pornography that involved exploiting children was hosted on websites in the UK. That figure is now down to 1 per cent, which is a very good thing, but that abuse is clearly continuing, and it has probably increased—it is just that those websites are now hosted elsewhere. It is therefore extremely important that we work together, and this is an area where the Commonwealth could play a part. There is already a Commonwealth cybercrime initiative, which is a good example of how such work can be taken forward.

It was put to us this afternoon—and I very much agree—that we will not tackle violence against women and girls unless men and boys understand and are involved in our campaigns. In particular, I identify the white ribbon campaign as a way in which men and boys can be involved in helping to eradicate that kind of crime and in standing up and saying that they will not be part of it and will not condone it. A number of football and rugby teams have now adopted the wearing of the white ribbon on their strips, and we should do more to encourage that.

The advantage of the Commonwealth is that we can discuss these issues and support one another in finding solutions to these problems, which beset most countries in the world. We do so knowing that we share the strength of 53 countries. We have to speak up on issues such as this. We have to recognise when we will disagree. We have to support one another to change. We also have to articulate our shared values of democracy and equality. The Commonwealth charter is one way in which we explain our values.

In her message to the Commonwealth this year, Her Majesty the Queen said:

“the Commonwealth can only flourish if its ideas and ideals continue to be young and fresh and relevant to all generations.”

Those are very apt words from someone who has been at the heart of that Commonwealth for so many years.

It is often said that young people are our future, but they also live in the here and now, so we must listen to them and encourage them to be part of shaping that happy and fulfilled future that we all wish for them.

17:17

Sandra White (Glasgow Kelvin) (SNP): I thank Patricia Ferguson for her speech, and I welcome the young people in the public gallery.

This time last year, we were team Commonwealth, gearing up to the Glasgow 2014 Commonwealth games. In my city of Glasgow and throughout Scotland, there was huge excitement and expectation as to what the games were going to deliver, and deliver they certainly did.

Being in Glasgow at the time of the games was fantastic. The city was buzzing, and I have honestly never seen Glasgow, or indeed other parts of Scotland, so full of energy. Walking down the street and seeing people from around the globe was simply amazing. Thanks to the people of Glasgow and the 15,000 volunteers, everyone was treated to the friendliest of welcomes. Over the period of the games, we played host to 4,500 athletes and more than 1 million spectators, making the games one of the most successful of all time.

The legacy that the games gave us was equally important, and I congratulate all those involved in ensuring not only that the games were successful but that they gave and are giving us an amazing legacy. Since the games, legacy 2014 has already supported more than 150 projects to improve community facilities. By 2016, it will have created 150 community sport hubs. It has also established more than 100 cultural programmes, with links to 26 Commonwealth countries, and it has created 150 Young Scot youth legacy ambassadors. We should all be proud of that legacy.

The list goes on. The key point is that, in many cases, it is young people who are benefiting and who are making such a difference. Whether it was 21-year-old Charlie Flynn winning gold in the boxing or the youngest-ever medallist in the Commonwealth games, the inspiring 13-year-old Erraid Davies winning bronze in the swimming pool, young people across Scotland and throughout the Commonwealth were all winners.

Since then, the eyes of the world have been on Scotland for another reason, namely the referendum on Scottish independence. Regardless of the outcome, one thing that is clear is the profound effect that it had on our society, especially on our young people. For the first time, 16 and 17-year-olds were given the vote, which led to unprecedented interest in what kind of society and what kind of future they wanted to see.

It also led to an incredible amount of political engagement, not only from 16 and 17-year-olds but from people even younger—and of course from many older people, too. That interest and engagement is sure to continue as the franchise for 16 and 17-year-olds has been devolved to coincide with next year's Scottish Parliament elections. We should celebrate that, too. I would like to see other Commonwealth countries picking up on that.

The referendum taught us that, given the opportunity, many young people can play an incredibly important role in shaping the future and, indeed, are more than willing to do so. As I have said, I hope that all countries of the Commonwealth can learn from that. In fact, the Commonwealth theme for this year is "A Young Commonwealth—young people with potentialities who play a vital role in sustainable development and democracy". As Patricia Ferguson has already mentioned, we met many of those young people earlier today. There was a round-table discussion on violence against women and girls in which they engaged with passionate and constructive contributions, and I look forward to meeting them all at the parliamentary reception at 6 o'clock.

As has been pointed out, the 53 member countries of the Commonwealth have a combined population of 2 billion, 60 per cent of whom are under 30. I believe that we all have a duty to listen to those young people and, through them and relevant organisations such as the CPA and its partners, work towards a secure and sustainable future for us all.

17:21

Malcolm Chisholm (Edinburgh Northern and Leith) (Lab): I congratulate Patricia Ferguson on lodging the motion, part of which recognises the great work of the CPA.

The association, of which Patricia Ferguson has been a dedicated member since 2012, fulfils a vital role in the context of Parliament's relationship with the wider international community, through programmes that promote parliamentary democracy and activities that encourage sustainable development, the reduction of poverty and support for human rights. As co-convenor of the cross-party group on men's violence against women and children, I of course agree with everything that Patricia Ferguson said about domestic abuse, FGM and other forms of child abuse, and I agree that such problems, which unfortunately bedevil every country in the world, have to be tackled at international level.

This evening, however, I want to focus on the theme "A Young Commonwealth". The Commonwealth comprises 53 countries and 30

per cent of the world's population; however, half that population is under 25, and today we come together to recognise the young activists and entrepreneurs who contribute such a great deal to their countries and this family of nations. Each story of progress is an inspiration, and I know that many of those stories will be told today.

Commonwealth day is celebrated on the second Monday of March every year, and the celebrations culminate in a multifaith service at Westminster abbey that is attended by the Queen, representatives of the Commonwealth countries and—which is important this year—1,000 school-aged children. This is an important and valuable opportunity to reflect on the Commonwealth's diversity, and it reminds us of our shared aspirations for a fairer and more equal world for future generations. After all, it is those generations who will work to achieve their own potential as active members of a global community. As the Commonwealth secretary general Kamallesh Sharma has pointed out:

"A Young Commonwealth recognises the capacity, contribution and potential of young people, who play a vital role at the heart of sustainable development and democracy."

Terri Smith from my constituency is active not only in her own community but as vice-chair of the Scottish Youth Parliament, and she attended Monday's service as the representative of the Scottish branch of the Commonwealth Parliamentary Association. Her thoughts on the experience echo the positive sentiments of the many hundreds who attend the event each year. She said:

"Young people are not only our here and now, they are our future. Being united with young people from all over the commonwealth was a unique experience. We are all from different cultures but what unites us is that we are the future."

Including and empowering young people is, I feel, key to the long-term strength of not only the Commonwealth but political structures here in the UK; indeed, that is why I support votes at 16. The Scottish branch of the CPA has worked closely with our Scottish Youth Parliament in the past, and has supported Emily Shaw MSYP in attending the jubilee Scottish Youth Parliament that was hosted by the CPA and which allowed young representatives to mark the jubilee year and discuss issues that are pertinent to their lives and their future.

Recognising and rewarding social concern and philanthropy is at the heart of the "A Young Commonwealth" theme. On Tuesday, four outstanding young people were honoured in the Commonwealth youth awards for excellence in development work to reward their exceptional work in promoting youth empowerment, education

and entrepreneurship, the environment and gender equality. Their achievements were chosen from the 16 positive examples that were selected for recognition this year.

The director of youth at the Commonwealth secretariat, Katherine Ellis, pointed out:

“Young people throughout the Commonwealth are creating and leading projects that have real and tangible impact. The work of our incredible finalists is proof that young people are integrally involved in the process of change, and not simply passive beneficiaries of development.”

I was going to give a couple of examples, but I can see that my time is running out, so I will conclude. Those are examples of the many exceptional young people who were represented on Commonwealth day this year. They are trailblazers for improving our human rights and ambassadors for an approach that is rooted in community activism and which reaches out across their regions. We may close the debate safe in the knowledge that the young Commonwealth has a very bright future.

17:25

Margaret Mitchell (Central Scotland) (Con): I am pleased to speak in the debate and to have the opportunity to highlight the unique role that the Commonwealth plays in fostering valuable relationships and connections among parliamentarians across the world.

The Commonwealth Parliamentary Association’s mission is to strengthen parliamentary democracy and promote good governance. The contacts that are established through networking and participating in conferences and seminars and the sharing of information among delegates are among the most valuable, but largely unspoken, aspects of the CPA. The opportunity to learn from other countries in conferences and in correspondence between delegates that often follows is helpful for not only the 31 small nations of the Commonwealth that have populations of fewer than 1.5 million, but for more established democracies, such as Scotland and Canada. As Her Majesty the Queen stated in her Commonwealth day message this year:

“One simple lesson from history is that when people come together to talk, to exchange ideas and to develop common goals, wonderful things can happen.”

However, the Queen sounded a cautionary note in the same message to the effect that that will happen only if those common goals bridge the various generations and are relevant to each.

That is why today’s round-table discussion with young people from various Commonwealth countries who are studying in Scotland was so important. With 60 per cent of the

Commonwealth’s population of 2 billion under 30 years of age, the phrase “Young people are our future” has never been more apt.

In September 2007, I attended the CPA annual conference in New Delhi, where I first heard human trafficking described as “modern-day slavery”. The full extent of that appalling trade, which predominantly but not exclusively affects women and children, was made clear to the parliamentarians who attended that conference, because it was given prominence as part of the main business of the conference on the floor of the chamber.

Seven years later, the Scottish Government introduced its own legislation on human trafficking and exploitation. The Human Trafficking and Exploitation (Scotland) Bill is being scrutinised by the Justice Committee, in which the definition of “trafficking” and, in particular, the word “travel” have been thoroughly discussed. Travel is intrinsic to the process of trafficking, and it is important that the definition covers not just travel between countries but—which is more alarming—travel within countries and even from city to city.

Furthermore, uncomfortable issues such as historical child sexual abuse and forced marriage are being tackled in Scotland, with the recently announced public inquiry into historical in-care abuse and amendment to the Forced Marriage etc (Protection and Jurisdiction) (Scotland) Act 2011, which makes forced marriage a criminal offence that carries a sentence of seven years. Therefore, important steps are being taken and we are moving forward.

The contributions, thoughts and ideas that we heard today from the young people who took part in the round-table discussion were proof positive for me and my colleagues that the Commonwealth is indeed in safe hands.

17:29

Tavish Scott (Shetland Islands) (LD): I thank Patricia Ferguson for bringing the debate to Parliament, my colleagues from the branch who have already contributed, and other members who take a close interest in the work of the CPA and have represented this Parliament on a number of occasions at CPA events in different parts of the world.

For those who are in the public gallery, I should explain that this debate is not like normal knockabout debates on accounting figures, which we debated earlier. It is much more an occasion for members to give voice to some deep themes, and I suggest that colleagues across the benches have done exactly that, both on what a young Commonwealth should mean and on tackling,

challenging and campaigning against the violence that is wrought against women and girls.

As Patricia Ferguson said, discussing such themes was the purpose of the meeting that we had with students from universities across Scotland this afternoon. If there was one great advantage to that, it was that it got us out of the great debate on numbers. More important, there were two or three points that seemed to me to be fundamentally important in relation to how the next generation is thinking about those issues. They should be a lesson for those of us who are legislators in this Parliament or who play a role in any Parliament.

The first point was about the diversity of the Commonwealth. A number of our student colleagues made the argument well today, and they perceptively picked up the reality of the challenge that all of us face when we represent our Parliament at events overseas, which is to do with the different emphasis that is brought to bear on issues that are culturally inbuilt and incredibly challenging and which mean that some hard questions have to be asked. I thought that that point was well made today.

The second point was about the need to recognise what must happen here in Scotland on female genital mutilation and educating our medical professionals and indeed all of us. One of the students is a trainee nurse and she described to the meeting the importance of ensuring that we learn about, understand and can therefore do something about some of the profoundly important issues and abhorrent practices that need to be tackled in Scotland as well as in other parts of the world. There is no point in any of us going overseas and lecturing if we cannot deal with matters here in our own country—another point that was well made to us this afternoon.

I forget who made the final point, but I pay tribute to Queen Margaret University, because it is clear that there is a considerable body of research being done there on violence against women and girls, which I hope will help to ensure that Parliament, MSPs and the Government understand those issues. Some interesting points were made about definition. A definition that we might all understand in this Parliament, and which our prosecution services might well understand, could be understood very differently in parts of Africa or India or in other parts of the Commonwealth. Again, that point was incredibly well made this afternoon.

I want to make two other points, if I may. The first is about the importance that our branch of the CPA in Holyrood attaches to young people. Malcolm Chisholm kindly mentioned Emily Shaw, who used to be a constituent of mine and is now a law student at the University of Aberdeen. No

doubt, she has a glittering career ahead of her in law—indeed, knowing Emily, in anything. As Malcolm Chisholm rightly pointed out, she was down in London a couple of years back representing the Scottish Youth Parliament and Scotland at the jubilee Youth Parliament. We support that every year; it is one of the strong initiatives that we support. We also ensure that a couple of members of the Scottish Youth Parliament take part in the Commonwealth day observance ceremony in London, for very good reasons.

Elections to the new Scottish Youth Parliament are taking place right now. On Monday, I am due to be in Lerwick to greet warmly the two new members of the Scottish Youth Parliament for Shetland, and I have no doubt that colleagues from across the Parliament will be doing the same in their own areas.

My final point is about international education. For me, that came across as a strong theme in the discussions that we had this afternoon with students from Scotland's universities. When one lives in a part of the world such as Shetland, international education is pretty profoundly important. One of the strongest relationships that currently exist is between the Anderson high school in Lerwick and the South Peninsula high school in Cape Town, South Africa, which is part of the Commonwealth. It is one of the oldest links between a South African school and a UK school, and students from my part of the world not only get to go to an astonishing place but get to study with, learn from and listen to political activists, young and old—of course, the older ones can reflect on what apartheid meant and on the modern South Africa that they now live in. That is one heck of a good way to make sure that a generation of young people from Shetland—although this would apply to pupils in any school in Scotland—know about the world around them before they enter the largest phase of their lives.

It is indeed a young Commonwealth and we should do all that we can to promote it.

17:35

Kenneth Gibson (Cunninghame North) (SNP): First, I thank Patricia Ferguson for bringing the debate to the chamber in light of this year's Commonwealth day celebrations. I would also like to commend the Scottish branch of the Commonwealth Parliamentary Association for its work over the past 16 years in supporting the Commonwealth, being fully participative, and demonstrating Scotland's commitment to international engagement.

As we have heard, 2015 is the year in which we honour our youth and, in doing so, we celebrate

the vitality and the energy that they bring forth, which is necessary if we are to develop a sustainable future not just in Scotland but across the Commonwealth and beyond.

The Commonwealth comprises people from across all the continents of the world. Despite the incredible diversity of members of the Commonwealth, we are intrinsically linked through our common history and dedication to democracy and education.

As with all collaborations, nothing is perfect. Some countries in the Commonwealth still struggle with equality and human rights at the very basic level. The militant extremist group Boko Haram threatens Nigeria and, in doing so, mirrors and even suggests ties with the recent struggles in the west and in the middle east against ISIS militants. Malala Yousafzai is still pioneering women's rights to education in Pakistan, and the BBC documentary "India's Daughter" demonstrates that India, too, must work to overcome misogyny, as must other societies. Of course, no country in the Commonwealth is perfect—we must struggle against such issues in our country on a daily basis.

Even amid the instances of ignorance and violence, hope appears in the efforts of our younger generation. Protests against the treatment of Malala and Nirbhaya filled the streets of cities across the Commonwealth, and social media pages attest to the interest and the stake that the youth of the Commonwealth have in the values of civil liberty and democracy.

Colleagues have talked about FGM and human trafficking, and I associate myself completely with their remarks. Tavish Scott talked about how important students from across the Commonwealth are to Scotland and how they bring a tremendous vibrancy to our communities.

On women's rights, I saw for myself in Tanzania a women's collective that raises funds and loans them to its members in small, very poor and often rural communities to allow them to purchase important day-to-day items such as looms, farming tools or even livestock. In many cases, that leads to the establishment of independent businesses, which helps to raise the esteem in which those women are held by the wider community, and it adds to their acceptance as economic contributors. Through their work, such collectives have significantly reduced domestic violence against the women who are their members.

By sharing information and experiences and protesting about basic human rights atrocities, our young people send the message that they will not be passive in the face of blatant injustice. The Commonwealth enables young people from across the globe to find connections, given their

shared history. A tremendous opportunity exists for our younger people to work together to create the more sustainable future that we all seek. The Commonwealth facilitates the exchange of ideas across international borders and gives young people the chance to come together and discuss how best to have a positive impact on their surroundings.

As far as our planet's future is concerned, the sheer number of people who live in Commonwealth countries gives youth the opportunity to work together to discover new ways for our social, political and economic structures to develop. The world is becoming more accessible and more reliant on international relations and technology. Increasingly, people may begin to identify themselves by the technologies that they use or by their views on civil liberties.

The views of young people are vital—young people are more adaptable to change, as well as being understandably curious about the world around them. Living in the Commonwealth gives young people an opportunity to share ideas with peers and find connections, given our shared history. Here in Scotland, we are doing our bit to support the Commonwealth and deliver opportunities for our young people to achieve the best possible future and make the most out of their natural abilities through everything from apprenticeships to higher education.

Commonwealth day reminds us of our tremendous interconnection. It is a collaboration between our younger generations that will navigate us towards a much brighter future across the world.

17:40

The Minister for Europe and International Development (Humza Yousaf): I thank Patricia Ferguson and the Commonwealth Parliamentary Association for bringing this important matter to the chamber, as the CPA does every year, and I welcome all the guests in the public gallery, including the young people and indeed our consul generals.

I pick out one young person in particular who has travelled all the way from Malawi—young Monica Dzonzi—and give a special welcome to her. She will be well known to most of the association as the person who began the journey of the Queen's baton relay, and, more important, she is a great ambassador for UNICEF. Those who have not read or heard her story must go to their nearest computer after the debate and look at and hear her story. It is a powerful one about the legacy and hope that we want to promote together in terms of human rights, and no child being left behind in the Commonwealth.

It is fascinating that the Commonwealth has so many young people. As Patricia Ferguson said and other speakers reiterated, 60 per cent of people in the Commonwealth are under the age of 30. I am part of that statistic, and will be for another 26 days. It is perhaps less true for the countries in the western hemisphere and more true for the countries in the global south. It represents a huge opportunity for those countries, but only if those young people are given the support and cultivation that they need.

Many members mentioned that, when we had our debate on Commonwealth week last year, we were anticipating the Commonwealth games. Now we have had the games, and what a phenomenal success the event was for the city of Glasgow, for Scotland, for the entire United Kingdom and for the entire Commonwealth.

The city that I have the great pleasure of representing, Glasgow, has had many firsts in its time. It was the first city to grant Nelson Mandela the freedom of the city when he was still incarcerated in prison, and it was the first city to offer an African American a degree when, in the 1800s, James McCune Smith got his medical degree from the University of Glasgow. Perhaps one of our finest firsts to add to that is that the opening ceremony of the Commonwealth games was the first to simultaneously raise funds for a very good cause—children across the world—through UNICEF. It was also the first games to integrate parasports. I am delighted that, although I cannot stay for the reception after the debate, I will be able to open UNICEF's offices in Scotland. Perhaps that is a continuation of that legacy.

My parents came from different parts of the Commonwealth—my mother from Kenya and my father from Pakistan. The Commonwealth was, of course, born out of difficult circumstances and a challenging part of our history. I do not just mean the UK's history, as Scotland played a huge role in the British empire, with Glasgow being known as the second city of the empire. There are visual reminders of that in Glasgow when we walk along streets such as Buchanan Street, Ingram Street and Bell Street, which were named after various slave owners. Glasgow and Scotland played a role in the British empire too.

What is important for us, whether in Scotland or the United Kingdom, is to ensure that we have learned from that history and that the Commonwealth, which has become something positive, continues to be a force for good. That was demonstrated throughout the Commonwealth games, which were about more than sport—that was a common theme throughout the games.

All the speakers in this evening's debate touched on human rights in one way or another. Patricia Ferguson spoke incredibly eloquently

about the challenges that face women and young girls in the Commonwealth. The First Minister, who was the Deputy First Minister during the Commonwealth games, held an event to bring together 70 women from across the spectrum—politics, academia, business and civic society—to discuss some of the human rights challenges for women. Other members spoke about the Scottish Government's and this Parliament's commitment to challenging those issues.

During the Commonwealth games, I hosted a trade and aid conference to show how important aid is. Indeed, we are big supporters of giving overseas aid to Commonwealth countries, as is the United Kingdom. On that note, I am pleased that, just yesterday, a bill passed through the House of Commons, through the hard work and effort of Michael Moore, Tavish Scott's colleague, to enshrine in legislation the UK Government's commitment to spend 0.7 per cent of gross national income on overseas aid.

We believe in the importance of aid, but we also realise that the best way for the Commonwealth to grow and develop is through equitable trade. We are big supporters of that.

Human rights were a central theme of the Commonwealth games. A great example of that was pride house, which was set up in the centre of Glasgow. It promoted lesbian, gay, bisexual, transgender and intersex rights domestically and right the way through to some more challenging areas in the Commonwealth. I was one of the 6,000 people who visited it.

We hope to advance human rights through the relationships that we have built up through the Commonwealth Parliamentary Association, the Government and the Commonwealth games. Flying the pride flag above Scottish Government buildings is symbolically important but—and I am not looking to take away from that action—the practical actions that we take will be the measure of our success. Tavish Scott and Kenny Gibson touched on the fact that some of the discussions will be difficult. We must be sensitive in how we do it, but we must have those discussions. The Commonwealth provides a safe space in which to do that.

One of the legacies of the games that I am most proud of is that Scotland has been, I hope, marked out for its compassion. I have talked about raising money for UNICEF during the games. On top of that, I am very proud of and pleased about the generous response of the Scottish public to a variety of challenges throughout the Commonwealth. I am thinking of the Ebola crisis, for which the Scottish Government has donated £1 million-worth of assistance, while the UK Government has been generous, too. I am also thinking of the floods in Malawi, an issue that was

first raised in the chamber by Patricia Ferguson. The Scottish Government was quick to act, and I heard from Monica Dzonzi earlier about how well that assistance had been received in Malawi. In addition, I am thinking about the scholarships that we provide for women and young girls in Pakistan. Last week, I was proud to announce an additional year's funding for that. I note that 53 per cent of the scholarships that we give to Pakistan are to young girls, and 80 per cent of those go to families who earn less than £60 a month. We also have a small grants programme; a couple of weeks ago, I announced funding for projects in Malawi, Tanzania, Zambia, India and Pakistan.

I hope that we can continue to promote that legacy, whether as MSPs on the Commonwealth Parliamentary Association or as the Government. However, our young Commonwealth will define us—how we grow together and continue to show compassion to the most vulnerable throughout our Commonwealth and the world. I hope that the young generation—I include myself in that bracket for the next 26 days—will progress that with the guidance of those who are older and who have helped to bring us to this point.

I thank the Commonwealth Parliamentary Association for sponsoring the motion. I wish it continued success. I hope that everyone enjoys the evening reception.

The Deputy Presiding Officer: I thank you all for taking part in this important debate.

Meeting closed at 17:48.

Correction

Humza Yousaf has identified an error in his contribution and provided the following correction.

The Minister for Europe and International Development (Humza Yousaf):

At col 2, paragraph 1—

Original text—

On the attacks, although there is a lot more work to be done, I am pleased to note that there has been a 15 per cent decrease in anti-Semitic incidents, which is a 35 per cent decrease from the year before. However, there is a heck of a lot to be done.

Corrected text—

On the attacks, although there is a lot more work to be done, I am pleased to note that there has been a 15 per cent decrease in religiously aggravated hate crime since 2012-13, and a 35 per cent decrease since 2011-12.

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e-format first available
ISBN 978-1-78568-120-2

Revised e-format available
ISBN 978-1-78568-136-3