

# Rural Economy and Connectivity Committee

Wednesday 17 June 2020



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#### **RURAL ECONOMY AND CONNECTIVITY COMMITTEE**

15th Meeting 2020, Session 5

#### **CONVENER**

\*Edward Mountain (Highlands and Islands) (Con)

#### **DEPUTY CONVENER**

\*Maureen Watt (Aberdeen South and North Kincardine) (SNP)

#### **COMMITTEE MEMBERS**

- \*Peter Chapman (North East Scotland) (Con)
- \*John Finnie (Highlands and Islands) (Green)
- \*Rachael Hamilton (Ettrick, Roxburgh and Berwickshire) (Con)
- \*Emma Harper (South Scotland) (SNP)
- \*Richard Lyle (Uddingston and Bellshill) (SNP)
- \*Angus MacDonald (Falkirk East) (SNP)
- \*Mike Rumbles (North East Scotland) (LD)
- \*Colin Smyth (South Scotland) (Lab)
- \*Stewart Stevenson (Banffshire and Buchan Coast) (SNP)

#### THE FOLLOWING ALSO PARTICIPATED:

Fergus Ewing (Cabinet Secretary for Rural Economy and Tourism)

#### **CLERK TO THE COMMITTEE**

Steve Farrell

#### LOCATION

Virtual Meeting

<sup>\*</sup>attended

#### **Scottish Parliament**

# Rural Economy and Connectivity Committee

Wednesday 17 June 2020

[The Convener opened the meeting at 09:00]

# Agriculture (Retained EU Law and Data) (Scotland) Bill: Stage 2

The Convener (Edward Mountain): Good morning and welcome to the 15th meeting of the Rural Economy and Connectivity Committee in 2020. The only item on our agenda today is stage 2 consideration of the Agriculture (Retained EU Law and Data) (Scotland) Bill. I welcome the Cabinet Secretary for Rural Economy and Tourism.

We have a lot to get through this morning, but it will work well if we take things slowly and steadily. I will briefly explain the procedure for anyone who is watching.

There will be one debate on each group of amendments. I will call the member who lodged the first amendment in the group to speak to and move that amendment and speak to all the other amendments in the group. I will then call any other members who have lodged amendments in the Members who have not lodged amendments in the group but wish to speak should make a request to speak. Please speak only when I call you to do so. If the cabinet secretary has not already spoken on the group, I will then invite him to contribute to the debate. The debate on the group will be concluded by me inviting the member who moved the first amendment in the group to wind up.

Following the debate on each group. I will check whether the member who moved the first amendment in the group wishes to press it to a vote or to withdraw it. If they wish to press ahead, I will put the question on the amendment. If a member wishes to withdraw their amendment after it has been moved, they must seek the agreement of other members to do so. If any member who is present objects, the committee will immediately move to a vote on the amendment. If a member does not want to move their amendment when it is called, they should say, "Not moved." Please note that any other member who is present may move such an amendment. If no one moves the amendment, I will immediately call the next amendment on the marshalled list.

Only committee members are allowed to vote, and voting will take place electronically. The

committee is required to indicate formally that it has considered and agreed to each section of the bill, so I will put the appropriate questions at the appropriate points.

We will now start the stage 2 proceedings.

Section 1 agreed to.

#### After section 1

**The Convener:** Amendment 36, in the name of Colin Smyth, is grouped with amendments 37 and 24.

Colin Smyth (South Scotland) (Lab): Amendment 36, like the other amendments in the group, seeks to introduce a set of guiding principles for the secondary legislation to be introduced through the bill's enabling powers. The proposed new section is intended to act as what I would call a "purpose clause", in line with a recommendation that the committee made at stage 1, and it has two aims—first, to place some limitations on the extremely broad regulation-making powers that the bill introduces, and secondly to clarify our policy priorities.

Between now and 2024, we must develop an entirely new agricultural support system, and it is essential that the transition period is used to help to lay the groundwork for it, for example through pilot schemes. However, the bill provides no sense of policy direction for that work, nor does it set out the types of area that the pilots should focus on.

My amendment 36 includes a range of objectives, which I hope will act as a guide during this period without acting as a barrier to necessary changes. The objectives that are listed in my amendment, which are loosely based around the remit of the farming and food production future policy group, aim to ensure that the policy that is pursued in the transition period is consistent with the future direction of any new system. They cover fairly broad categories, which should be able to underpin a range of changes. On top of those more general categories, I have included a few specific priorities such as carbon reduction, working conditions and food security.

I have also included a subsection to clarify that none of the objectives should be achieved at the expense of another. That is an important point. For example, we should not pursue policies that may improve productivity but undermine carbon reduction, or indeed vice versa. Finding policies with minimal negative consequences is vital to the success of our next system, and we must start developing such solutions now.

The other two amendments in the group also seek to set out guiding principles to inform secondary legislation that is made under the provisions in the bill. The wording of the three

amendments in the group reveals that there is fairly broad agreement on the way forward, as does the fact that three different parties have proposed a purpose clause.

John Finnie's amendment 24 goes into a little more detail about what the objective should be and it raises a wide range of important issues. It would provide a clear and ambitious direction of travel, which I support. Rachael Hamilton's amendment 37, which is drafted more broadly, would give ministers more flexibility while still providing greater clarity on the purpose of the transition period and our longer-term ambitions for the agriculture sector. Like my amendment, amendment 37 appears to have been informed by the remit of the future policy group.

I believe that my amendment 36 incorporates elements of the approaches of both John Finnie and Rachael Hamilton, as it contains some specific aims and some more general categories. However, all three amendments make worthwhile contributions and I would be happy to support any of them as a starting point in the debate on how we can deliver the overarching purpose and direction that the committee and many stakeholders highlighted the need for during stage 1.

If any of the amendments in the group is agreed to, we will be able to address any specific gaps or technical issues at stage 3, particularly if the Government acknowledges the strong support for a purpose clause and commits to working with all parties in seeking to achieve consensus on any final wording.

I move amendment 36.

**The Convener:** I call Rachael Hamilton to speak to amendment 37 and any other amendments in the group.

Rachael Hamilton (Ettrick, Roxburgh and Berwickshire) (Con): My amendment 37 has similar objectives to Colin Smyth's amendment 36, but there is a clear difference. Under the principles of secondary legislation, the committee will note that my list is shorter. My list is comprehensive because, having engaged extensively with stakeholders, I believe that we need a focused approach to what the regulations should contribute in principle.

An example of the objectives in Colin Smyth's amendment is delivering for rural communities. Although I understand the basis and completely agree with his premise, I am concerned that it is too vague and that it might encroach on other legislation such as that on community empowerment. Farmers across Scotland want the replacement for the common agricultural policy to deliver for them, but I sense that what Colin Smyth seeks to achieve slightly veers off that trajectory

and starts to involve other parties for whom the bill is not necessarily relevant.

On John Finnie's amendment 24, I note that, similarly to Colin Smyth's amendment, the list of objectives takes the focus off the bill. Some of the aspects in amendment 24 would be better introduced at a later date through well-researched policy, rather than through the bill. My amendment 37 keeps the principles focused on agriculture.

**The Convener:** I call John Finnie to speak to amendment 24 and any other amendments in the group.

John Finnie (Highlands and Islands) (Green): I thank all the people and organisations that contributed briefings for our deliberations today.

As others have said, the bill will introduce powers to make changes to regulations and payment systems without defining either the scope or the purpose of those changes. WWF said:

"This introduces considerable uncertainty, at a time when ambitious action is required of the sector."

Agriculture is one of the key sectors where policy levers to reduce emissions are devolved to Scotland. The Scottish Government has missed its emissions target for the second year in a row. As Scottish Environment LINK said,

"the opportunity must be seized to signal how regulations and related funding for agriculture will change in the years ahead to deliver broad benefits for society."

Given the need for brevity, I will not repeat comments that have already been made. I agree with much of what Colin Smyth said. It is important that we see a just transition. Although there may on the surface appear to be a lot of common ground between the three amendments in the group, this is about priorities and emphasis. It is clear that the status quo is not an option and we must build on the existing frameworks.

I will pick out a few objectives from the extensive list in my amendment 24. One is to achieve our greenhouse gas emissions targets. That is a fundamental aim, but it is not included in the Conservative amendment, which highlights the objective of "improving profitability".

My proposed new subsection (2)(e) highlights the objective of

"maintaining and enhancing animal welfare".

That would go some way towards addressing the concerns that have been voiced in recent days about the export of live calves, for instance.

My proposed objectives also include

"encouraging public access to, and public understanding of, agriculture",

"maintaining and increasing population in rural areas"

—I know that the cabinet secretary has shared my interest in that—and

"ensuring sustainable livelihoods and improved working conditions among crofters and farmers, particularly those working on ... marginal land",

to which my comment about local supply chains is pertinent.

I will support Colin Smyth's amendment 36, not least because it includes the objectives of

"delivering flourishing rural communities"

and

"improving working conditions within the sector."

However, I will not support Rachael Hamilton's amendment 37. It includes a reference to

"increasing the resilience of the agricultural sector to climate change".

I think that that alludes to the Climate Change (Scotland) Act 2009, but the objective is entirely insular and industry centred. I will leave my comments there.

**The Convener:** A couple of other members have indicated that they want to speak on the group. We will come first to Stewart Stevenson, followed by the deputy convener, Maureen Watt.

Stewart Stevenson (Banffshire and Buchan Coast) (SNP): I always look carefully at the drafting of amendments, and most of my comments relate to that aspect, although they also relate to policy to some extent.

Colin Smyth's amendment 36 contains the phrase

"may only be exercised by",

and it goes on to state that any provisions that are made

"must not undermine the ability of regulations ... to contribute to the achievement of any other objective".

Those two things are coupled. Similarly, John Finnie's amendment includes the phrases

"may only be exercised by"

and

"must not undermine the ability".

I have a difficulty with that wording. It may well be proper to proceed with something that increases resilience but might affect things such as profitability in the short term. How do we measure profitability? People have to submit accounts once a year and they will know whether they are profitable in the year, but the benefit may be further on. There is a genuine difficulty there.

As a former engineer, I know the old saying that every new solution brings new problems. To try in legislation to discount a big benefit under one

heading against a small disbenefit under another is not going to work. That applies to the amendments from Colin Smyth and John Finnie.

Similarly, I have a difficulty with an omission from all three amendments in the group, including Rachael Hamilton's, in that they make no direct reference to community per se. Objective (j) in the list in Colin Smyth's amendment refers to "delivering flourishing rural communities", but the benefits of agriculture extend beyond rural communities, so that wording is more restrictive than we might want it to be.

Finally, there is a big omission from the lists in all three amendments. In restricting the regulations to those that affect only agriculture, we would rule out regulations that would affect agriculture but would also require and provide for collaboration with other sectors. That is a fundamental problem with the lists. I always have a big problem with lists per se—I would rather see things expressed more concisely. I do not have a difficulty with what members are trying to achieve; I just think that the expression of the objectives in the three amendments is unlikely to commend itself to me or other members.

Maureen Watt (Aberdeen South and North Kincardine) (SNP): Good morning, everybody. Notwithstanding the technical difficulties that my colleague Stewart Stevenson highlighted, I point out that the amendments are completely undemocratic as they have not been consulted on.

There was no mention of these matters in the committee's stage 1 report on the bill. Indeed, there was broad stakeholder support for the principles that underpin the bill, which is an mechanism to facilitate transition for the agriculture sector as we leave the European Union. It is a purely technical bill to ensure that payments continue after we leave the EU. The committee recognised in its stage 1 people want to see report that developments of policy in agriculture, but that is not what the bill is about. I cannot see how we could agree to amendments 36, 37 or 24, given that we have not consulted on the proposals.

**The Convener:** I invite the cabinet secretary, Fergus Ewing, to comment as appropriate.

09:15

The Cabinet Secretary for Rural Economy and Tourism (Fergus Ewing): Good morning, everyone. It might take me some time to go through and do justice to the proposals in the three amendments in group 1, but I will seek to do that.

There was a debate during stage 1 about the inclusion of a purpose clause in the bill. As the

three amendments demonstrate, however, that means different things to different people. Indeed, I am bound to reflect and gently comment that the three proposers, in their presentations, were not uncritical of the other proposals.

I am clear that part 1 of the bill is about process and not policy. It would, I submit, be inappropriate to set a direction of travel in this framework bill, which is required for the specific purpose of enabling the simplification and improvement of existing CAP schemes, before we know exactly where we need to go.

I understand why people wish for a set of objectives of future policy. However, I remind members that, following a debate that took place in plenary session on 10 January 2019, the Scottish Parliament agreed by resolution to establish a group to inform future policy on farming and food production. That decision was based on a suggestion from Mr Rumbles, which I was happy to take forward and have taken forward.

Parliament has already spoken on the process that we should follow, and we should not pre-empt that process. Were we to do so this morning, it could be construed as being disrespectful to Parliament as a whole. Rather, I suggest that the group be allowed to complete, as instructed, the task that the Parliament has given it. Any purpose clause in the bill—even one—that confined itself, as the amendments in the group do, to the use of the powers in part 1 of the bill would, per se, interfere with and cut across a process that Parliament agreed is appropriate, and which is nearly complete.

I also ask members to carefully consider what they are asking for. There is a timing issue here. We need not only the bill, but the secondary legislation under it to be in place by the end of the year in order to ensure that we can continue to make payments to farmers, which means that time is critical. All three amendments raise the risk that we would run out of time. We need to know what must be done, but each of the proposals would add complex new requirements and tests that would limit our ability to use the new powers to ensure that CAP schemes will work in 2021.

If such measures had been in place in respect of convergence funding and we had had to balance all the objectives that are set out in any of the three lists in respect of the decisions that we made, I believe that we would not have been able to disburse the first tranche of payments of convergence moneys to farmers and crofters in Scotland as we did in early March. In other words, if we had had to go through that complex process, the vital financial support that we were able to give—incidentally, and fortuitously, before the Covid lockdown—would not have been in the bank accounts of those farmers and crofters because

we would have had a complex process that prevented us from achieving that task in the timely fashion with which it was dispatched.

I am still determined to start making simplifications and improvements from 2021, but I am bound to conclude that, if the committee was to agree to any or all the amendments in group 1 with the tests that are set out in them, we would not be in a position to prepare regulations for the end of the year, which might mean that no useful change could have effect next year.

Amendments 36 and 24 both seek to limit the Scottish ministers to making regulations under part 1 of the bill only for the purpose of contributing to one or more of the list of objectives that is set out in subsection (2) in each amendment. They are closed lists, which means that we would not be able to do anything else, no matter how desirable it was, under our simplification and stability approach.

Some of the objectives relate to matters such as biodiversity, water and air quality, animal welfare and plant and soil health, which are already provided for in legislation including the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019, the Nature Conservation (Scotland) Act 2004, and the Animal Health and Welfare (Scotland) Act 2006. Those laws are already in place, and ministers could not use the bill to legislate in a way that circumvented or was incompatible with those existing laws. Some of the objectives are not defined in the bill and determining exactly what was meant could be hugely problematic. Other objectives are highly subjective and it would therefore be hard to give them any meaningful effect in law.

Amendment 37 appears to be less onerous, but it does not define what is meant by any of the principles that it sets out and, in effect, it would prove to be more difficult to implement. It requires that all regulations must actually "contribute" to one of the stated principles. The validity of regulations could be in question if it could not be shown that they made such a contribution. It is not at all clear to me that that could be definitively established in relation to every regulation that could be made under the bill. The proposal is therefore, prima facie, unworkable.

Complexities and potential unintended consequences would arise from applying such prescriptive lists of objectives to the use of regulations in part 1 of the bill. Applying the objectives—some of which are already provided for in environment and animal welfare legislation—would not be straightforward. Working out how to assess potential simplifications or improvements to current CAP schemes against them would be time consuming. In all probability, we would not be able to make any change happen in 2021, yet the

plan to make the changes was warmly welcomed by farmers and crofters. Worst of all, if the amendments were agreed to, it would limit our ability to help our farmers at a time when they most need help.

Earlier this morning, I re-read the policy and financial memoranda and the explanatory notes on the bill. If members address themselves to paragraph 4 of the policy memorandum, they will see that, under the heading "Purpose of the bill", it says:

"This Bill is intended to provide the Scottish Ministers with regulation-making powers to amend or replace the European Union ... Common Agricultural Policy ... elements of retained ... law in Scotland, and to provide new powers for the collection of agricultural data."

The notes clearly set out the purpose of the bill. It would surely be a risky prospect to have a counter-purpose stated in the bill.

For all those reasons, convener, and with apologies for the length of my arguments—I have sought to do justice to each of the amendments by addressing them in detail—I respectfully suggest that the amendments be resisted.

**The Convener:** Thank you, Mr Ewing—you have done justice to the amendments. When we are in different rooms, it is difficult to encourage brevity, but I ask members to remember to be brief.

Colin Smyth: I recognise the challenges in finding a wording that meets our aims. However, I do not believe that that is impossible if everyone is committed to achieving it. I remind all members that it was the committee's unanimous view at stage 1 that the Government should consider lodging a purpose clause. I am somewhat surprised that support for the principle of a purpose clause appears to have changed, although we have form for saying one thing in our stage 1 report and doing the opposite in the final debate.

As a committee, we have debated purpose clauses in the past. We have debated at great length the objectives in a bill, for example in the passage of the South of Scotland Enterprise Bill, where we agreed a clear set of objectives for the new agency. We have a track record of delivering such things, despite the differences in wording at the beginning of the processes.

I think that all three proposed purpose clauses—I have not criticised the other ones—are based on a shared view on the need for clarity on what policy changes the bill will underpin. The cabinet secretary has said that we should focus on the work of the farming and food production future policy group, and I agree, but there is absolutely nothing in the bill that will allow us to do so. The bill simply gives the Government broad policy-

making powers without providing any policy direction. The committee was told by numerous stakeholders that there is a lack of policy direction in the bill and with regard to future agriculture policy more generally.

I believe that there is a lot of commonality in the proposed purpose clauses. They are based on broadly similar priorities—that is, the need for a new system that better enables environmental sustainability, encourages productivity in the sector and supports rural communities. The consistency of approach of amendments 36, 37 and 24 is not surprising, given the clear consistency among many stakeholders on the necessary direction of travel.

I want to address two other points that the cabinet secretary touched on. I simply do not agree that a purpose clause would somehow make it impossible to deliver support and changes in 2021. There is no basis whatever for that claim.

Stewart Stevenson raised a number of technical issues to do with the wording of amendment 36, but he did not say that the principle of including a purpose clause in the bill was not relevant. That is not surprising, given that the committee agreed at stage 1 that that should be considered. I think that, if we give a commitment to work together on the wording, we could deliver a purpose clause that provides the policy direction that stakeholders are crying out for and which is currently lacking.

**The Convener:** Do you wish to press or withdraw amendment 36?

**Colin Smyth:** I will not press it at this stage. I simply ask that a commitment is made to work with all members in an effort to achieve a consensus on the wording of a purpose clause.

Amendment 36, by agreement, withdrawn.

Amendment 37 not moved.

# Section 2—Power to simplify or improve CAP legislation

**The Convener:** Amendment 1, in the name of John Finnie, is grouped with amendments 8, 11, 14, 28, 29 and 16. If amendment 14 is agreed to, I will not be able to call amendment 28, as it will have been pre-empted.

Before we hear from John Finnie, I will make a declaration of interests. I apologise, because I meant to do this at the beginning of proceedings. When the committee has discussed agriculture in the past, I have always declared that I have an interest in a family farming partnership. For the record, I would like to repeat that, so that no one is in any doubt regarding my interest.

I believe that Peter Chapman and Stewart Stevenson might also want to make declarations of interest.

Peter Chapman (North East Scotland) (Con): I thank the convener for reminding us all that we need to declare our interests. I declare that I am a partner in a farming business in the north-east of Scotland.

**Stewart Stevenson:** I own a very small registered agricultural holding, from which I derive no income.

**The Convener:** I am glad that we have got that out of the way. I apologise to John Finnie for interrupting him.

**John Finnie:** [Inaudible.] I will speak to other amendments in the group, which covers procedure for the regulations.

Earlier, I alluded to briefings that the committee has received. We have all received the briefing from the Law Society of Scotland about how the procedure could be improved during the progress of the bill, and later on through consultation. That is particularly in regard to changing the arrangements for future decision making from negative to affirmative procedure.

#### 09:30

I readily acknowledge that there is parliamentary scrutiny regardless of the procedure, as has been said many times in committee, but ensuring the active approval of Parliament seems better. I am grateful to my colleague Colin Smyth for his support. The public might expect that there should be the active approval of Parliament when we are dealing with matters such as the provision of information; powers of entry, inspection, seizure and search; penalties; and the creation of offences. I hope that members agree with that.

I support the cabinet secretary in relation to amendments 28 and 29.

I move amendment 1.

Fergus Ewing: Amendments 28 and 29 relate to the wider changes that I am seeking to make to section 8 through the amendments in group 7. Those changes are primarily to ensure that there is alignment with the approach that is being taken in the United Kingdom Agriculture Bill on switching from retained EU law powers on marketing standards to free-standing domestic law powers. The UK bill's provisions allow for the affirmative procedure for making regulations.

Therefore, amendment 28 provides for changing the procedure from negative to affirmative, while amendment 29 would simply alter the wording of section 8(5) to reflect that change in procedure.

Noting that John Finnie's amendment 14 preempts my amendment 28, I acknowledge his thoughtful approach in specifying a list of circumstances in which the affirmative procedure should be applied, but I hope that he will accept that there is now no need for that approach, given my willingness to apply the affirmative procedure to any use of the power. Therefore, I hope that he will not move amendment 14. If he does, I encourage members to resist it and support amendments 28 and 29 instead.

I turn to amendments 1, 8 and 11. I fully understand why members want additional scrutiny of the regulation-making powers under sections 2, 5 and 6. Normally, switching from negative to affirmative procedure would appear to be a fairly innocuous change, and it is one that Government often concedes. I have done so for previous bills, as have many of my Cabinet colleagues.

However, these are not normal times. The process is time constrained, not least because of other pressures on Parliament and the committee due to the impact of the coronavirus, which means that the bill will not be concluded before recess.

We need the bill and regulations under it to be in place by the end of this year or there will be a risk of delaying payments. As I said when speaking to amendments in group 1, I intend to start introducing changes under sections 2, 5 and 6 for the start of the 2021 CAP year, which begins in January. If we do not do so, such is the complexity of the CAP system that changes could not be brought in part way through the year and we would be waiting until 2022 before any simplifications or improvements could be made to any CAP scheme.

The situation is made even more complex by Brexit and the resulting multitude of pieces of secondary legislation required by the end of this year, many of which relate to the rural economy and are likely to come to this committee. That already presents an incredibly challenging legislative timetable for Government and Parliament.

I am also conscious of the group 3 amendments that are still to be considered, which relate to consultation. Again, a statutory requirement to consult on draft regulations would inevitably lengthen the process still further. However, we will debate those separately.

I am not unsympathetic to either issue. Normally, I and this Government would support the desire to ensure a more substantive role for both Parliament and stakeholders in the development of the content of regulations. However, I do not think that we can do either—never mind both—and be confident of passing regulations by the end of 2020 that would allow

changes to be made to current CAP schemes during the transition period between 2021 and 2024, which I have committed to and which, previously, had the support of Parliament.

Therefore, I cannot support amendments 1, 8 and 11, in John Finnie's name, and hope that members agree with me and will resist the amendments.

Through amendment 16, Mr Finnie seeks to adopt a similar approach to regulations made under section 10 that have provisions regarding enforcement. As with section 8, there is no time constraint relating to regulations made under section 10 and, having conceded on the principle of moving to an affirmative procedure for section 8, I am happy to consider doing likewise for section 10. However, I respectfully ask Mr Finnie not to move amendment 16 in order to allow for further consideration on this matter. It may be less complex simply to switch the entire procedure to affirmative for section 10, as we have proposed for section 8.

In summary, I would ask the committee to vote for amendments 28 and 29 in preference to amendment 14. I respectfully suggest that the committee vote against amendments 1, 8 and 11.

On amendment 16, I thank Mr Finnie for the work that he has done with the Government, but I respectfully ask him not to move that amendment, on the basis that I will seek to come forward with a simpler, more straightforward approach at stage 3. I hope that that is helpful and clear.

Colin Smyth: It is important to highlight my support for the amendments in this group. A number of them were based on advice that was helpfully provided by the Law Society of Scotland. In lodging his amendments, John Finnie was clearly more nimble on his feet than I was, but my support is registered for them.

We could be forgiven, following our previous discussion, for forgetting that the bill introduces wide regulation-making powers. There is a need for clarity on what they will be used for. It was entirely inappropriate that negative procedure was going to be used for the regulations; it is important that affirmative procedure is used at all times during the course of the changes being made under the bill.

I am more than happy to fully support the amendments lodged by John Finnie.

John Finnie: I am surrounded by paper here—as we all are—and I realise that I should have alluded to the pre-emptions in this group, as the cabinet secretary did in his remarks: amendment 14 would pre-empt amendment 28, and amendment 15 would pre-empt amendment 29.

I hear what the cabinet secretary says in relation to amendments 14 and 16. It is not my intention to move those amendments when the time comes. My colleague Colin Smyth is entirely right, however. If there is a will, there is a way. As we will come on to discuss, there is no harm in having scrutiny. Our committee would always be keen to make every effort to facilitate the Scottish Government's programme, particularly when it comes to the remuneration of our crofters and farmers.

**The Convener:** The question is, that amendment 1 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

#### For

Chapman, Peter (North East Scotland) (Con)
Finnie, John (Highlands and Islands) (Green)
Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire)
(Con)
Mountain, Edward (Highlands and Islands) (Con)
Smyth, Colin (South Scotland) (Lab)

#### Against

Harper, Emma (South Scotland) (SNP)
Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Rumbles, Mike (North East Scotland) (LD)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
Watt, Maureen (Aberdeen South and North Kincardine)
(SNP)

**The Convener:** The result of the division is: For 5, Against 6, Abstentions 0.

Amendment 1 disagreed to.

**The Convener:** Amendment 2, in the name of John Finnie, is grouped with amendments 3, 5, 6, 23, 9, 10, 12, 13, 15, 17, 18, 18A, 19, 20 and 20A. If amendment 15 is agreed to, I cannot call amendment 29. I call John Finnie to speak to and move amendment 2 and speak to all amendments in the group.

**John Finnie:** Amendment 2 calls on the Scottish ministers to

"consult such persons as they consider appropriate."

That might seem strange, because we would have thought that that was a well-established practice. It is certainly best practice, and I would have thought that such engagement could be done when it suited the Scottish expeditiously Government. I hear the recurring theme about the challenges that that would pose for the timeframe, but I repeat that consulting people is best practice, particularly on the significant matters that would be deliberated on in the case of regulations laid under section 2(1).

I hope that members will support amendment 2. I acknowledge that my colleague Colin Smyth, who has signed a couple of my amendments,

supports the proposal relating to Government engagement

"Before laying a draft of a Scottish statutory instrument"

that makes regulations, which, as I said, would be best practice. In any case, if I understand the cabinet secretary correctly, he would ordinarily tell us that there was on-going engagement, so what amendment 2 proposes should not be an onerous process.

I support my colleague Colin Smyth's amendments 18 and 20, but I do not support Rachael Hamilton's amendments 18A and 20A or Peter Chapman's amendment 23. What subsection (3)(a) in amendment 23 proposes would be entirely subjective and would introduce the kind of bureaucracy that the Conservative Party continually purports to oppose, so I will not support it.

I move amendment 2.

**Peter Chapman:** Amendment 23 seeks to ensure that the organisations and people affected are consulted on the prospect of a ceiling on payments, which is also known as capping.

The idea of capping farm payments is an unwelcome prospect for many farmers, so for the Scottish ministers simply to have an unchallenged power to introduce capping without proper consultation would be very serious. There is also the ability in section 4 to move moneys from pillar 1 to pillar 2, which again is an area of great importance to all farmers. In my opinion, that is one of the most important parts of the bill and we cannot give the Government free rein to decide on those issues. The voices of farmers, whom the bill's provisions will affect and for whom they will have profound consequences, must be heard.

Ensuring that the Government must consult and then report on findings means that there would be a more informed view of agricultural stakeholders' thoughts and whether it would be appropriate to introduce any ceiling on payments or any movement of money between pillars 1 and 2.

Farmers are keen to play their part in reducing emissions, but for too long they have done so with little or no financial support and mostly through good practice and good will. Subsection (3)(b)(i) of the proposed new section that amendment 23 would insert mentions the Climate Change (Scotland) Act 2009. Any capping must ensure that funds that are generated as a result are used to ensure that farming becomes more productive and efficient, delivers environmental benefits and delivers on our climate change objectives.

We support all the other amendments in the group.

09:45

Colin Smyth: I support the majority of the amendments in the group, which all look to ensure that regulations made under the bill are subject to appropriate consultation. The bill includes broad regulation-making powers, without a sense of the policy intention behind them. Many of the proposed changes in such regulations could have a huge impact on those who are directly affected. It is critical that the Government consults and seeks agreement on them.

Amendment 18 in my name calls for consultation on regulations made under sections 2, 3, 4, 5, 6, 8 and 10. My suggestion is covered by various amendments lodged by John Finnie. I am happy to support those amendments. If common sense prevails and they are agreed to by the time that we come to vote on amendment 18, I will not press it.

Similarly, amendment 20 in my name has the same intention as John Finnie's amendment 19, which is to introduce in the bill a clear requirement on the Government to consult prior to issuing regulations that define "agricultural activity".

The requirement that is set out in my amendment 18 is clearer than that set out in amendment 19. Amendment 18 specifies that those

"likely to have an interest in the regulations"

and those representing

"those who may be affected"

should be consulted. However, the outcome of both amendments is likely to be the same, so I am happy to support either.

Amendments 18A and 20A from Rachael Hamilton look to remove the requirement to consult those whom the Government considers

"are likely to have an interest"

in the regulations. I imagine that the intention is to ensure that the consultation focuses on those who are directly affected, but that is potentially too narrow. A requirement to consult those who are interested as well as those who are affected would ensure that, if they had a relevant interest, environmental or animal welfare groups, for example, would have a chance to input. It is not unreasonable to suggest that all interested groups should be consulted.

Peter Chapman's amendment 23 calls on the Government not only to consult but to report on the outcome of that consultation and on how the regulations contribute to our climate change ambitions. That would provide useful scrutiny and accountability, and the committee should be in favour of it.

Rachael Hamilton: I sought in amendment 20A to remove the reference to

"such persons as they consider are likely to have an interest in the regulations".

However, on reflection, as a result I would not be able to support John Finnie's amendments, which seek to require consultation on regulations made under sections 2 to 6 of the bill. Therefore, I will not move amendment 20A, because it would result in inconsistencies in the process of consultation under different sections of the bill.

I ask the cabinet secretary to clarify that, should amendments regarding consultation be agreed to, he will keep the focus of consultation purely on those who are involved in agriculture and not open it up to a wider audience, which could inadvertently involve people who do not have a good reason to be involved in the shaping of the future of agriculture.

With regard to the other amendments in the group, I firmly believe that consultation is required when ministers consider modifying or changing the existing CAP legislation. We do not want Scottish ministers to bulldoze changes through without diligently consulting those whom their actions will affect. Scottish Land & Estates says:

"Large parts of this bill provide powers for Scottish Ministers to simplify, improve and modify current regulations and bring forward further legislation. We feel a commitment to consult with relevant individuals or stakeholders is important to ensure Scottish Government understands the ambition of the sector to embrace change and maximise opportunities, rather than sticking with the status quo".

I will vote for all the other amendments in the group, and I will not move my amendments 20A and 18A.

Richard Lyle (Uddingston and Bellshill) (SNP): I will try to be brief, convener.

We are presented with a somewhat dizzying array of amendments that require ministers to consult, some of which relate to whatever regulatory procedure is followed. However, I am puzzled by the fact that so many members have sought to lodge those amendments when, in our stage 1 report, we concluded that there was no need to require statutory consultation. I am becoming fed up of people seeming to agree a collective position in a stage 1 report and then ignoring it when we get to stages 2 and 3. The cabinet secretary gave undertakings around consultation at stage 1 and we accepted them. We should not be debating these amendments.

**The Convener:** Cabinet secretary, do you have any brief comments in relation to that?

Fergus Ewing: I say again, convener, that I have a duty at stage 2 to do justice to all the

lodged amendments and, with respect, I need to take time to do that.

At stage 1, I gave clear commitments on consultation. Those commitments have not changed. I said that

"We will take steps to make sure that there is sufficient consultation of those who are closely involved"

with the impact of any proposed changes or measures in draft regulations.

I also said:

"We will not make major changes without appropriate consultation and engagement. We always do that. We come to Parliament and we are constantly held to account by this committee."—[Official Report, Rural Economy and Connectivity Committee, 15 January 2020; c 22, 26.]

As Richard Lyle has reminded us, both the Rural Economy and Connectivity Committee and the Delegated Powers and Law Reform Committee indicated in their stage 1 reports that they were satisfied with those assurances—which were given and repeated in good faith—on consulting stakeholders and the Parliament. Those assurances were most sincerely given, as has invariably been my practice as cabinet secretary.

For reasons that are similar to those that I set out in relation to the amendments in groups 1 and 2—so I will not repeat them—I hope that the committee will accept my voluntary undertakings and resist the amendments in group 3.

It is useful to remind the committee of the consultation and engagement that have been carried out to date. I consulted very widely on the plan for stability and simplification, and on 13 January 2020, we published the task force's recommendations. All that work will inform the priorities in and content of the draft regulations.

The main reason why I am reluctant to accept the amendments is what they would do to timescales. The Scottish Government's approach to consultation provides for a standard 12-week period within which submissions can be made, with all appropriate submissions published and analysed before the Government sets out its response. On occasion, timescales can be reduced, but we are usually looking at a minimum of six months for such a process. I have already alluded to the fact that consideration of the bill will not be completed before the recess. There is clearly time pressure on making sure that farmers and crofters can avail themselves of the benefits that I believe many of them may well wish to flow from improvements and simplifications.

I point to two matters that were predominant in the task force's recommendations, which members have already had five months—five months, convener—to consider. The first is amending the system of penalties, to make it less harsh—and, occasionally, oppressive—for farmers and crofters in its disproportionate penalising of them for modest errors. The second is simplifying the inspection process. If, as I suspect, farmers and crofters want those changes to be made, the last thing that they will want is for the Scottish Government to be prevented from introducing the changes because of an additional, extended consultation process, which would place a procedural straitjacket on the Government's ability to deliver what they want.

My undertakings have been uniformly implemented for the past four years, and those that I gave at stage 1 were accepted. I hope that they will be accepted at stage 2, and that the wish to require a statutory timetable is simply misplaced, as such a measure is not required. I also hope that we can proceed to work together, with the substantial measure of scrutiny that this committee and the Parliament always exert.

**The Convener:** I call Mr Finnie to wind up, and to press or withdraw amendment 2.

**John Finnie:** Rachael Hamilton and Conservative colleagues sound continually like they are saying, "Give us the money; don't talk to anyone else." Crofting and farming do not operate in a vacuum: this is public money.

I am sure that Mr Lyle would vigorously suggest that he is not seeking to frustrate debate. The purpose of this process is to engage in discussion—it is a stage 2 debate. Things do not stand still, and we are not slaves to previous positions that we may have taken. Clearly, all the amendments are competent, or we would not be debating them.

I hear what the cabinet secretary has repeatedly said, but I think that he is actually making the case to support the amendments that are before us.

No one is seeking to frustrate progress or introduce additional or extended processes. If, as we are continually told and have heard again from the cabinet secretary, there is on-going engagement—and many people believe that the farming sector is at the heart of Government policy and decision making—the proposal in amendment 2 will not be a challenge.

There is no harm in consultation, which can take many different forms. This committee and other committees have had many documents before them on which there has been no consultation. That is never helpful. Things can be turned round very quickly when there is the will to do so.

I press amendment 2.

**The Convener:** The question is, that amendment 2 be agreed to. Are we all agreed?

Members: No

The Convener: There will be a division.

#### For

Chapman, Peter (North East Scotland) (Con)
Finnie, John (Highlands and Islands) (Green)
Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire)
(Con)
Mountain, Edward (Highlands and Islands) (Con)
Smyth, Colin (South Scotland) (Lab)

#### Against

Harper, Emma (South Scotland) (SNP)
Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Rumbles, Mike (North East Scotland) (LD)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
Watt, Maureen (Aberdeen South and North Kincardine)
(SNP)

**The Convener:** The result of the division is: For 5, Against 6, Abstentions 0.

Amendment 2 disagreed to.

**The Convener:** I call amendment 3, in the name of John Finnie.

John Finnie: I will not move amendment 3.

**The Convener:** The next question is that section 2—

**Richard Lyle:** On a point of order, convener. If you look at the chat box, you will see that I want to press amendment 3.

**The Convener:** Amendment 3 has not been moved. As far as I am aware, it cannot be pressed.

Richard Lyle: I will move it.

**The Convener:** Mr Lyle, are you moving amendment 3, which is in the name of John Finnie?

Richard Lyle: That is correct.

Amendment 3 moved—[Richard Lyle].

10:00

**The Convener:** The question is, that amendment 3 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

#### For

Chapman, Peter (North East Scotland) (Con)
Finnie, John (Highlands and Islands) (Green)
Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire)
(Con)
Mountain, Edward (Highlands and Islands) (Con)

Smyth, Colin (South Scotland) (Lab)

#### Against

Harper, Emma (South Scotland) (SNP)
Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Rumbles, Mike (North East Scotland) (LD)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)

Watt, Maureen (Aberdeen South and North Kincardine) (SNP)

**The Convener:** The result of the division is: For 5, Against 6, Abstentions 0.

Amendment 3 disagreed to.

Section 2 agreed to.

### Section 3—Power to provide for the operation of CAP legislation beyond 2020

**The Convener:** Amendment 4, in the name of John Finnie, is in a group on its own.

John Finnie: This will not take long. Amendment 4 is about the conferral of functions under section 3 and the power to provide for the operation of CAP legislation beyond 2020. The amendment was suggested by the Law Society of Scotland. It would simply insert the word "appropriate", so that the bill would read:

"may confer functions on any appropriate person in connection with, or with the making of, a determination in respect of a year."

I move amendment 4.

Fergus Ewing: As the term is undefined for the purposes of the bill, I am not clear what would be the benefit of adding the word "appropriate". Moreover, ministers could rightly be challenged in the highly unlikely event that they tried to confer a function on an inappropriate person. However, if the committee considers that the amendment would be advantageous and improve the bill, I am happy to accept it.

**The Convener:** I ask John Finnie to wind up briefly, and to press or withdraw the amendment.

**John Finnie:** I will simply press the amendment.

**The Convener:** The question is, that amendment 4 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

#### For

Chapman, Peter (North East Scotland) (Con)
Finnie, John (Highlands and Islands) (Green)
Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire)
(Con)
Harper, Emma (South Scotland) (SNP)
Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Mountain, Edward (Highlands and Islands) (Con)
Rumbles, Mike (North East Scotland) (LD)
Smyth, Colin (South Scotland) (Lab)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
Watt, Maureen (Aberdeen South and North Kincardine)
(SNP)

**The Convener:** The result of the division is: For 11, Against 0, Abstentions 0. I am sure that there was a reason for voting on the amendment.

Amendment 4 agreed to.

**The Convener:** I call amendment 5, in the name of John Finnie.

John Finnie: I will not move amendment 5.

**The Convener:** I think that Maureen Watt wants to move it.

Maureen Watt (Aberdeen South and North Kincardine) (SNP): It is often the case that amendments that are not moved at stage 2 come back at stage 3. I want to know what the committee thinks about amendment 5 at this stage.

Amendment 5 moved—[Maureen Watt].

**The Convener:** The question is, that amendment 5 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

#### For

Chapman, Peter (North East Scotland) (Con)
Finnie, John (Highlands and Islands) (Green)
Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire)
(Con)
Mountain, Edward (Highlands and Islands) (Con)

Mountain, Edward (Highlands and Islands) (Con) Smyth, Colin (South Scotland) (Lab)

#### Against

Harper, Emma (South Scotland) (SNP)
Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Rumbles, Mike (North East Scotland) (LD)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
Watt, Maureen (Aberdeen South and North Kincardine)
(SNP)

**The Convener:** The result of the division is: For 5, Against 6, Abstentions 0.

Amendment 5 disagreed to.

Section 3, as amended, agreed to.

# Section 4—Power to modify financial provision in CAP legislation

**The Convener:** Amendment 38, in the name of Peter Chapman, is in a group on its own.

Peter Chapman: Amendment 38 seeks to ensure that, should any modification of the payment system, such as the capping of individual payments, result in surplus funds, those surplus funds are fully invested back into Scottish farming. We must ensure that all moneys allocated to farming from the central budget remain in the agriculture portfolio, and we cannot let any Government—whether in this or the next parliamentary session—siphon off funds into other budgetary areas.

The amendment is needed to give a cast-iron guarantee—I am sure that the farming community

would expect nothing less—that any surplus funds or savings will be kept in the agriculture budget and not moved elsewhere.

I move amendment 38.

Fergus Ewing: I listened carefully to what Mr Chapman said, and I understand the sentiment behind his arguments, but I do not consider his amendment to be necessary. The Scottish Government budgetary process already contains reporting and monitoring mechanisms. In addition, any regulations that are introduced under section 4 would probably require a business and regulatory impact assessment to be conducted, and that assessment would, of necessity, include consideration of the effect of moving funding from one support mechanism to another.

On Mr Chapman's example of the introduction of a cap on the level of pillar 1 payments, I make it clear that no such measure would be introduced without consultation. Moreover, we have already consulted on that measure in principle in the document "Stability and Simplicity: proposals for a rural funding transition period", and there has also been consultation on the measures in other parts of the United Kingdom.

There has been no shortage of consultation on the matter, and there would be additional consultation if a specific measure were to be proposed.

Furthermore, section 4 is subject to the affirmative procedure, which means that Parliament already has the opportunity—rightly so—to scrutinise in detail any proposed modification of the financial provision.

I have more comments in my notes, but I hope that that is enough to give a flavour of the reasons why I consider that amendment 38 is unnecessary.

**The Convener:** I ask Peter Chapman to wind up, and to press or withdraw amendment 38.

**Peter Chapman:** In the interests of brevity, I will simply press my amendment.

**The Convener:** The question is, that amendment 38 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

#### For

Chapman, Peter (North East Scotland) (Con)
Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire)
(Con)
Mountain, Edward (Highlands and Islands) (Con)

Mountain, Edward (Highlands and Islands) (Con) Smyth, Colin (South Scotland) (Lab)

#### Against

Finnie, John (Highlands and Islands) (Green) Harper, Emma (South Scotland) (SNP) Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Rumbles, Mike (North East Scotland) (LD)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
Watt, Maureen (Aberdeen South and North Kincardine)
(SNP)

**The Convener:** The result of the division is: For 4, Against 7, Abstentions 0.

Amendment 38 disagreed to.

**The Convener:** Amendment 6, in the name of John Finnie, has already been debated with amendment 2. I ask John Finnie whether he wishes to move amendment 6.

**John Finnie:** I do not wish to move the amendment.

**The Convener:** I think that Richard Lyle wants to move amendment 6. Is that correct?

Richard Lyle: That is correct, convener.

Amendment 6 moved—[Richard Lyle].

10:15

**The Convener:** The question is, that amendment 6 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

#### For

Chapman, Peter (North East Scotland) (Con)
Finnie, John (Highlands and Islands) (Green)
Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire)
(Con)
Mountain, Edward (Highlands and Islands) (Con)
Smyth, Colin (South Scotland) (Lab)

#### Against

Harper, Emma (South Scotland) (SNP)
Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Rumbles, Mike (North East Scotland) (LD)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
Watt, Maureen (Aberdeen South and North Kincardine)
(SNP)

**The Convener:** The result of the division is: For 5, Against 6, Abstentions 0.

Amendment 6 disagreed to.

Section 4 agreed to.

#### After section 4

**The Convener:** Amendment 7, in the name of Mike Rumbles, is grouped with amendments 7A, 42, 22 and 26.

Mike Rumbles (North East Scotland) (LD): It is the Scottish Government's stated intention to introduce a new bespoke system of agricultural support for Scottish rural businesses by 2024. I fully support the cabinet secretary in that aim, but

the bill will not achieve that, and nor is it intended to.

This technical bill is largely aimed at ensuring that the current support systems can continue beyond the end of this year. However, when the bill was published, I was concerned that the way in which sections 2 to 4 were drafted could allow a future Government to carry on the current system by regulations and not implement the new bespoke system of farm business support that we need.

I fully accept that the cabinet secretary's intentions in that respect are entirely honourable and that he wants a new system for Scotland to be implemented with a new policy-driven agriculture bill—of that I have no doubt. However, how sections 2 to 4 are drafted would allow a different cabinet secretary—even one from a different party—to allow the current system to continue, as section 3(1) says,

"for one or more years beyond 2020."

That means that the current system could carry on in perpetuity.

The committee's role is to scrutinise and try to improve the bill to ensure that it does what it says on the tin. The committee did its job well at stage 1. Many witnesses said that sections 2 to 4 needed revising, and the committee came to the unanimous view that the provisions need to be altered.

In the stage 1 debate in Parliament on the general principles of the bill, I said that I was not hung up about having a sunset clause that would limit the powers in the bill to 2024 but that it would be perfectly doable to give the Scottish Government until the end of the next parliamentary session, which is in 2026.

I was grateful to the cabinet secretary when he said in summing up that debate that he recognised that I was making a constructive suggestion to improve the bill. I put on record that Fergus Ewing has, indeed, been willing to engage positively with constructive suggestions during the passage of the bill. As a result, if the committee accepts my amendments 7 and 22, Fergus Ewing and I recognise that they will improve the bill and will fully address the concerns about the issue that witnesses raised with the committee at stage 1.

I turn to the amendments in the group from Colin Smyth and John Finnie. As I see it, Colin Smyth's amendments 7A and 42 would not do what my amendments do, and I am afraid to say that the proposed subsection (3) in John Finnie's amendment 26 would cause more confusion.

I mean no personal criticism of either member, because they are rightly free to lodge any amendments that they wish. However, I would

have thought that, if Colin Smyth had wanted me to support his amendment 7A to improve my amendment 7, it might have been a good idea to speak to me before we got to this debate.

I ask both those gentlemen to forgive me, but I urge members to reject their amendments and support my amendment 7, which really will improve the bill, and amendment 22, which is a related technical amendment to enable that to happen.

I move amendment 7.

**Colin Smyth:** One of the recurring issues at stage 1 was the need for a sunset clause to limit the powers that the bill will introduce. The issue was raised by several stakeholders who support the introduction of a sunset clause for a number of reasons. That was a key recommendation of the committee's stage 1 report and it was also recommended by the Delegated Powers and Law Reform Committee.

There are two key reasons why a sunset clause is needed. First, there is a general concern about providing ministers with the ability to make secondary legislation on such a wide range of issues indefinitely. Secondly, there is a need to hold ministers to their proposed timeline, which states that a new system should be up and running by 2024.

Amendment 42 suggests that sections 2 to 6 should expire at about the end of the next parliamentary session in 2026. That would give ministers an additional two years beyond the stated timescale. I hope that they would not use that time, as getting a new system in place by 2024 is critical. Amendment 42 would provide that extra leeway.

Crucially, however, I have included a mechanism to extend the period for which the legislation is in place—if that is needed. That is in response to the concerns raised about the potential cliff edge in support for the sector. I recognise the seriousness of the risk and have proposed mitigating that by allowing the legislation to be extended by a year at a time, for up to a maximum of five years. Again, that should be treated as a last resort, in the case of exceptional circumstances, particularly as the amendment already provides for an extension of another two years beyond the Government's current timescale. Any extension would be subject to the affirmative procedure, so would need to be agreed by Parliament.

Amendment 7 in the name of Mike Rumbles would prevent regulation-making powers from being used after the end of the next session, but would allow the legislation to remain in place.

Although I appreciate that amendment 7 would address the concern about ministers having regulation-making powers, it would not require them to create the new system that we so urgently need. That is the key reason for the widespread calls for a sunset clause.

Let us be clear about what amendment 7 means from a legal point of view: updated legislation would be in place indefinitely. That risks being the worst of all worlds: no new system and no freedom to make any necessary changes to the temporary system. Put simply, Mike Rumbles's amendment does not do what it says on the tin.

I know how this committee works and I know that amendment 7 will be agreed to—we have already seen that happen with another amendment today. That is why I have lodged an amendment to amendment 7. It proposes that, if amendment 7 is the agreed way forward, at the very least, we should ensure that the legislation falls three years after the regulation-making powers cease. I hope that members will consider amendment 7A based on its merits, rather than on who has spoken to it. We all hope that the legislation will be revoked long before then and that a new system will be in place before 2029, but amendment 7A would provide a useful backstop.

Amendment 26 by John Finnie proposes a similar timeframe to my amendment 42, although it does not include any contingency to avoid a cliff edge. However, it includes a requirement for ministers to report annually on their progress on achieving their policy objectives, which is a useful addition. If my amendment 7A is not agreed to, I would be happy to support John Finnie's amendment 26, which would make a positive contribution to the bill. However, I would be keen to return at stage 3 to the question of what can be done to prevent a potential cliff edge.

I move amendment 7A.

John Finnie: The bill is intended to grant the Scottish ministers the power to make changes to the CAP regulations during a transitional period, but, as colleagues have said, it places no time limit on the exercise of that power. I readily accept that the Government has provided reassurance that the power would not be used for longer than is necessary. However, as others have said, the committee's position on the need for a sunset clause was made clear in our stage 1 report, and I welcome the repentant sinners who now understand that.

I have quoted many of the organisations that provided briefings. In its briefing, Scottish Environment LINK expressed concern that if a time limit is not placed on the use of the power, transitional arrangements could remain in place for much longer than the 2021 to 2024 period that

was originally envisaged. As I keep saying, the status quo is not an option. Significant changes to agricultural policy and support are needed to respond to the climate breakdown. The emergency imperative that we face means that that cannot be left open ended. A commitment must be made that legislative proposals for a new subsidy system will be put forward before the end of the transition period.

I am grateful to the stakeholders who have encouraged colleagues to support amendment 26, which sets an expiry date of 2026 for the powers that relate to the CAP and, as Colin Smyth said, would require ministers to report annually on progress on their policy objectives for agricultural support. I am sure that we will be told that we scrutinise those regularly, but the amendment would build that in and ensure that future agricultural policy can be scrutinised by the Scottish Parliament as it develops. That is important.

Angus MacDonald (Falkirk East) (SNP): I am keen to better understand the purpose and effect of Colin Smyth's amendment 7A. For example, would it create a cliff edge for schemes with legacy payments that continue well beyond the original grant? Colin Smyth acknowledged the likelihood of a cliff edge, and I seek further clarification on that.

I think that we are all agreed on the efficacy of a sunset clause, but the concern is about the extent of it. John Finnie's amendment 26 and Colin Smyth's amendment 42 would apply a deadline to sections 5 and 6, but I am not sure why they want to end the schemes in question at a specific point, and I would appreciate an explanation of that.

There is no suggestion that the scheme for the fruit and veg producer organisations, for example, does not currently work, but that is an example of retained EU law that we will have to bring into devolved law. We could have to relegislate to create exactly the same aid scheme as the one that currently exists simply to satisfy an arbitrary cut-off point. I would appreciate clarification on those two points.

Emma Harper (South Scotland) (SNP): Good morning, everybody. I want to pick up on what Angus MacDonald said about support for fruit and vegetable producer organisations. The committee took evidence on that, and our stage 1 report spoke about that support continuing and its being expanded to producer organisations in other areas. I would be interested to hear from the cabinet secretary whether support for dairy producer organisations could be considered. I know that this is a technical rather than a policy bill, but I would like to hear about possible future support for other organisations.

**The Convener:** Colin Smyth wants to comment briefly in response to Angus MacDonald.

Colin Smyth: There would be no requirement for any scheme to fall if it is included in the Government's new agricultural policy, which it has committed to bring forward by the end of 2024. Amendment 7A would mean that if the Government had not done that by the end of 2029, the legislation would fall. It concerns me greatly that some members have suggested that the new system might not be in place by 2029 if they are concerned about any regulations falling before then. That is precisely why we need a sunset clause.

#### 10:30

**Fergus Ewing:** Amendment 7 seeks to time limit the powers in sections 2, 3 and 4 so that they cannot be used after the Scottish elections on 7 May 2026, and amendment 22 provides for that expiry provision to come into force on the day after royal assent.

The stage 1 report and debate made it clear that there was an appetite across Parliament for some form of statutory cut-off date for the bill's measures. I understand why members and stakeholders want certainty about the future, although I hope that they also recognise that there is a need to balance that against the current backdrop of uncertainties and the need for the Government to retain some level of flexibility to meet future challenges. Therefore, I am hopeful that we can reach a consensus on what that is from the range of amendments before us.

As such, I believe that a sunset clause that prevents the use of the powers in sections 2, 3 and 4 beyond 7 May 2026 would achieve that. I thank Mike Rumbles for introducing the proposal and for his helpful contribution to the stage 1 debate, in which he effectively suggested that compromise approach.

The proposed date makes sense, as it would mean that the powers in sections 2, 3 and 4 could not be used beyond the lifetime of the next parliamentary session. That is a clear rationale. I hope that it provides reassurance that the powers will not be used indefinitely, which addresses some of the concerns that other members have raised. It also means that an element of breathing space would be provided beyond the end of the transition period that I have committed to from 2021 to 2024, should the current circumstances with Brexit and Covid-19, or indeed future unexpected challenges, cause delays to our intended timetable for developing future rural policy.

On amendment 7A, I thank Mr Smyth for explaining the amendment, but I am concerned

that it could have the unintended consequence of making multi-annual support mechanisms impossible to deliver. In 2029, even though we expect to have moved to new support schemes, we could still have legacy payments from CAP schemes. Forestry planting grants are perhaps the best example of maintenance payments that continue far beyond the initial grant because of the longer-term silvicultural maintenance of the trees.

Angus MacDonald correctly raised the point that amendment 7A could create an unwelcome cliff edge for such activities that take place over many years. Because we need to ensure that we have the CAP rules in place to maintain support in a multi-annual way, I urge the committee to resist the amendment.

On amendment 26, while there is clearly a purpose to applying a sunset clause to sections 2, 3 and 4, I am not convinced that there is a similar need in relation to sections 5 and 6, to which amendment 26 also seeks to apply a sunset clause. I am not inclined to support amendment 26, as we would need new secondary legislation to make any necessary transitional or saving provisions in connection with expiry, which would place additional demand on an already pressured Parliament.

Amendment 42 would also apply a sunset clause to sections 5 and 6, as well as providing an option to extend the 2026 date. Again, I am not convinced of the need to apply a sunset clause to sections 5 and 6. Although I appreciate that the option to extend might be seen to favour the Government and would provide further flexibility, I am also conscious that many stakeholders, and indeed MSPs, have expressed their desire to see a firm cut-off date. For that reason, I invite members to resist amendment 42.

I encourage the committee to support amendments 7 and 22, and I ask members to resist the other amendments in the group, should they be pressed.

**Mike Rumbles:** Contrary to what Colin Smyth said, amendment 7 does what it says on the tin: it clearly means that ministers will not be able to continue to use regulations to change agricultural support after 2026, and it completely implements what the committee unanimously agreed. I hope that amendments 7 and 22 are agreed to unanimously.

Colin Smyth's amendment 7A would allow ministers to use regulations until 2029—the amendment actually says that—which I do not think is appropriate. Amendment 7A is a flawed amendment to my amendment.

I urge members not to confuse the issues, to support my amendments 7 and 22, and to come together. I hope that my amendments will be

agreed to unanimously, and I hope that Colin Smyth and John Finnie will not press or move their amendments, because I do not think that they add anything to my amendments.

Colin Smyth: Given that amendment 7 does not require a new system to be in place for 2024 or any date, I will press amendment 7A. Concern has been raised that legacy payments might fall after 2029, but they would fall only if the Government failed to introduce a new system of legislation before 2029 or if any such legislation failed to continue any legacy payments that were desired. It is untrue to imply that waiting until 2029—a significantly longer time than under the Government's proposal—to develop a new agricultural policy in some way endangers legacy payments. It would endanger them only if the Government failed to include them.

The crucial point is that amendment 7 will not require the Government to bring forward a new system by 2024; it will simply mean that the existing system will continue, with no new system replacing it. That is the worst of both worlds, whereby we will not be able to make new regulations and the old system will stay in place, with no requirement for a new system.

As I said, I will press amendment 7A, because many stakeholders will be concerned by the suggestion that the Government appears not to be committed to the 2024 date after all.

Convener: The question is, that amendment 7A be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

Smyth, Colin (South Scotland) (Lab)

#### Against

Chapman, Peter (North East Scotland) (Con) Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire)

Harper, Emma (South Scotland) (SNP) Lyle, Richard (Uddingston and Bellshill) (SNP)

MacDonald, Angus (Falkirk East) (SNP)

Mountain, Edward (Highlands and Islands) (Con)

Rumbles, Mike (North East Scotland) (LD)

Stevenson, Stewart (Banffshire and Buchan Coast) (SNP) Watt, Maureen (Aberdeen South and North Kincardine) (SNP)

The Convener: The result of the division is: For 1, Against 10, Abstentions 0.

Amendment 7A disagreed to.

The Convener: I invite Mike Rumbles to press or withdraw amendment 7.

Mike Rumbles: I press amendment 7.

Convener: The question is, that amendment 7 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

Finnie, John (Highlands and Islands) (Green) Harper, Emma (South Scotland) (SNP) Lyle, Richard (Uddingston and Bellshill) (SNP) MacDonald, Angus (Falkirk East) (SNP) Rumbles, Mike (North East Scotland) (LD) Stevenson, Stewart (Banffshire and Buchan Coast) (SNP) Watt, Maureen (Aberdeen South and North Kincardine) (SNP)

#### Against

Chapman, Peter (North East Scotland) (Con) Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire) (Con) Mountain, Edward (Highlands and Islands) (Con)

#### **Abstentions**

Smyth, Colin (South Scotland) (Lab)

The Convener: The result of the division is: For 7, Against 3, Abstentions 1.

Amendment 7 agreed to.

The Convener: Mr Finnie, I think that you were concerned that I had not mentioned your vote on amendment 7A. I have you recorded as having voted against amendment 7A. Could you confirm whether that is correct?

John Finnie: Yes, that is correct. I had replied to that effect in the chat box.

The Convener: Thank you. I am sorry for any confusion.

Amendment 23 moved—[Peter Chapman].

**Convener:** The question that is, amendment 23 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

Chapman, Peter (North East Scotland) (Con) Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire) (Con)

Mountain, Edward (Highlands and Islands) (Con) Smyth, Colin (South Scotland) (Lab)

#### Against

Finnie, John (Highlands and Islands) (Green) Harper, Emma (South Scotland) (SNP) Lyle, Richard (Uddingston and Bellshill) (SNP) MacDonald, Angus (Falkirk East) (SNP) Rumbles, Mike (North East Scotland) (LD) Stevenson, Stewart (Banffshire and Buchan Coast) (SNP) Watt, Maureen (Aberdeen South and North Kincardine) (SNP)

The Convener: The result of the division is: For 4, Against 7, Abstentions 0.

Amendment 23 disagreed to.

# Section 5—Power to modify CAP legislation on public intervention and private storage aid

Amendment 8 moved—[John Finnie].

**The Convener:** The question is, that amendment 8 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

#### For

Chapman, Peter (North East Scotland) (Con) Finnie, John (Highlands and Islands) (Green) Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire) (Con)

Mountain, Edward (Highlands and Islands) (Con) Smyth, Colin (South Scotland) (Lab)

#### **Against**

Harper, Emma (South Scotland) (SNP)
Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Rumbles, Mike (North East Scotland) (LD)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
Watt, Maureen (Aberdeen South and North Kincardine)
(SNP)

**The Convener:** The result of the division is: For 5, Against 6, Abstentions 0.

Amendment 8 disagreed to.

10:45

**The Convener:** I call amendment 9, in the name of John Finnie.

John Finnie: I will not move amendment 9.

**The Convener:** I think that Richard Lyle wants to move it. Is that correct?

Richard Lyle: Yes.

Amendment 9 moved—[Richard Lyle].

**The Convener:** The question is, that amendment 9 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

#### For

Chapman, Peter (North East Scotland) (Con)
Finnie, John (Highlands and Islands) (Green)
Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire)
(Con)
Mountain, Edward (Highlands and Islands) (Con)

Mountain, Edward (Highlands and Islands) (Con) Smyth, Colin (South Scotland) (Lab)

#### Against

Harper, Emma (South Scotland) (SNP)
Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Rumbles, Mike (North East Scotland) (LD)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
Watt, Maureen (Aberdeen South and North Kincardine)
(SNP)

**The Convener:** The result of the division is: For 5, Against 6, Abstentions 0.

Amendment 9 disagreed to.

The Convener: I call amendment 10, in the name of John Finnie.

**John Finnie:** In my efforts to try to assist you with the passage of the bill at stage 2, convener, I do not intend to move amendment 10, and a number of other amendments when we come to them.

**The Convener:** I think that Mr Lyle wants to move amendment 10.

Amendment 10 moved—[Richard Lyle].

**The Convener:** The question is, that amendment 10 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

#### For

Chapman, Peter (North East Scotland) (Con)
Finnie, John (Highlands and Islands) (Green)
Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire)
(Con)
Mountain, Edward (Highlands and Islands) (Con)
Smyth, Colin (South Scotland) (Lab)

#### Against

Harper, Emma (South Scotland) (SNP)
Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Rumbles, Mike (North East Scotland) (LD)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
Watt, Maureen (Aberdeen South and North Kincardine)
(SNP)

**The Convener:** The result of the division is: For 5, Against 6, Abstentions 0.

Amendment 10 disagreed to.

Section 5 agreed to.

# Section 6—Power to simplify or improve CAP legislation on aid for fruit and vegetable producer organisations

**The Convener:** I call amendment 11, in the name of John Finnie.

**John Finnie:** Out of courtesy to my colleagues, I have no intention of moving the amendment, and I am not quite sure what my colleagues feel that they are achieving by the somewhat childish act in relation to the other matter.

**The Convener:** Does any member wish to move amendment 11? Mr Lyle, I think that you want to move it. Is that correct?

Richard Lyle: Yes.

Amendment 11 moved—[Richard Lyle].

**The Convener:** The question is, that amendment 11 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

#### For

Chapman, Peter (North East Scotland) (Con) Finnie, John (Highlands and Islands) (Green) Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire) (Con)

Mountain, Edward (Highlands and Islands) (Con) Smyth, Colin (South Scotland) (Lab)

#### **Against**

Harper, Emma (South Scotland) (SNP)
Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Rumbles, Mike (North East Scotland) (LD)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
Watt, Maureen (Aberdeen South and North Kincardine)
(SNP)

**The Convener:** The result of the division is: For 5, Against 6, Abstentions 0.

Amendment 11 disagreed to.

**The Convener:** I ask John Finnie whether he wishes to move amendment 12.

**John Finnie:** I do not wish to move the amendment, convener.

**The Convener:** I see that Richard Lyle wants to move amendment 12. Is that correct?

Richard Lyle: That is correct, convener.

Amendment 12 moved—[Richard Lyle].

**The Convener:** The question is, that amendment 12 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

#### For

Chapman, Peter (North East Scotland) (Con) Finnie, John (Highlands and Islands) (Green) Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire) (Con) Mountain, Edward (Highlands and Islands) (Con)

Mountain, Edward (Highlands and Islands) (Con) Smyth, Colin (South Scotland) (Lab)

#### Against

Harper, Emma (South Scotland) (SNP)
Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Rumbles, Mike (North East Scotland) (LD)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
Watt, Maureen (Aberdeen South and North Kincardine)
(SNP)

**The Convener:** The result of the division is: For 5, Against 6, Abstentions 0.

Amendment 12 disagreed to.

**The Convener:** I ask John Finnie whether he wishes to move amendment 13.

**John Finnie:** I do not wish to move the amendment, convener.

**The Convener:** Again, I see that Richard Lyle wants to move John Finnie's amendment.

Amendment 13 moved—[Richard Lyle].

**The Convener:** The question is, that amendment 13 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

#### For

Chapman, Peter (North East Scotland) (Con)
Finnie, John (Highlands and Islands) (Green)
Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire)
(Con)
Mountain, Edward (Highlands and Islands) (Con)
Smyth, Colin (South Scotland) (Lab)

#### **Against**

Harper, Emma (South Scotland) (SNP)
Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Rumbles, Mike (North East Scotland) (LD)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
Watt, Maureen (Aberdeen South and North Kincardine)
(SNP)

**The Convener:** The result of the division is: For 5, Against 6, Abstentions 0.

Amendment 13 disagreed to.

Section 6 agreed to

Section 7 agreed to.

**The Convener:** At this stage, I will suspend the meeting for five minutes.

10:55

Meeting suspended.

11:00

On resuming—

#### Section 8—Marketing standards

The Convener: Discussion is taking slightly longer than I had anticipated, but we need to continue to debate the amendments fully to allow the draft legislation to be properly scrutinised. If we get close to 12 o'clock and I do not think that we will be finished by then, we will reconvene next week, which might have to be particularly early and before our meeting on Wednesday.

Amendment 27, in the name of the cabinet secretary, is grouped with amendment 30.

**Fergus Ewing:** Amendment 30 is the key amendment in the group. It seeks to replace section 9, so that the products and sectors for

which marketing standards can be set are the same as those in the UK Agriculture Bill.

The first mentioned item in the new section 9 is "milk and milk products". As we have heard from Emma Harper—she has been campaigning on behalf of dairy farming, and has rightly pursued the issue this morning—it is important that we get these aspects right. Therefore, rather than have just a high-level description of a sector in section 9—for example, "beef and veal"—with all the detail left to regulations, the new version of section 9 provides fuller detail of the products that are covered in the bill by reference to the European regulations under which the current marketing standards are set.

I am conscious of the time, convener. I do not consider the amendments to be contentious. They are designed to be helpful and to improve the law and, indeed, they act on the wishes of Parliament. I will guillotine myself and finish here.

I move amendment 27.

**The Convener:** As no member wants to speak, do you want to wind up, cabinet secretary?

Fergus Ewing: No—I do not need to wind up.

Amendment 27 agreed to.

**The Convener:** I call amendment 14, in the name of John Finnie, which has already been debated with amendment 1. I remind members that, if amendment 14 is agreed to, I cannot call amendment 28, because of pre-emption.

**John Finnie:** Given the cabinet secretary's earlier comments, I do not intend to move amendment 14. I wait with interest to see whether any of his colleagues intend to move it on my behalf.

Amendment 14 not moved.

Amendment 28 moved—[Fergus Ewing]—and agreed to.

**The Convener:** Amendment 15, in the name of John Finnie, has already been debated with amendment 2. I remind members that, if amendment 15 is agreed to, I cannot call amendment 29 because of pre-emption.

Amendment 15 not moved.

Amendment 29 moved—[Fergus Ewing]—and agreed to.

Section 8, as amended, agreed to.

### Section 9—Marketing standards: agricultural products

Amendment 30 moved—[Fergus Ewing]—and agreed to.

Section 9, as amended, agreed to.

#### Section 10—Carcass classification

Amendments 16 and 17 not moved.

Section 10 agreed to.

Section 11 agreed to.

Schedule agreed to.

#### After section 11

Amendment 18 not moved.

**The Convener:** As amendment 18 has not been moved, amendment 18A cannot be moved.

Amendment 18A not moved.

**The Convener:** Amendment 24, in the name of John Finnie, has already been debated with amendment 36.

John Finnie: I will not move amendment 24.

**The Convener:** I think that Maureen Watt wants to move it. Is that correct?

**Maureen Watt:** Yes please, convener. I think that it is important to record our votes on the amendment.

Amendment 24 moved—[Maureen Watt].

**The Convener:** The question is, tha amendment 24 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

#### For

Finnie, John (Highlands and Islands) (Green) Smyth, Colin (South Scotland) (Lab)

#### Against

Chapman, Peter (North East Scotland) (Con)
Harper, Emma (South Scotland) (SNP)
Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire)
(Con)

Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Mountain, Edward (Highlands and Islands) (Con)
Rumbles, Mike (North East Scotland) (LD)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
Watt, Maureen (Aberdeen South and North Kincardine)
(SNP)

**The Convener:** The result of the division is: For 2, Against 9, Abstentions 0.

Amendment 24 disagreed to.

**The Convener:** Amendment 25, in the name of Rachael Hamilton, is grouped with amendment 39.

Rachael Hamilton: First and foremost, we know that the internal single market of the United Kingdom is extremely important to Scottish agriculture. Scottish exports to the rest of the UK in 2018 increased by £1.2 billion to £51.2 billion. As a result, the rest of the UK continues to be Scotland's largest market for exports, accounting

for three times the value of the exports to the European Union. The Rural Economy and Connectivity Committee's stage 1 report highlighted

"the emphasis placed by industry stakeholders on the importance of the rest of the UK as a marketplace for Scottish agricultural products".

We need to maintain alignment in marketing standards across the UK's internal market in order to avoid barriers to movement and sale of products post-Brexit. With my amendment 25, I want to ensure that standards are kept aligned in order not to risk damaging the UK internal market. On amendment 39, which is in the name of Colin Smyth, I do not believe that we should continue to align so closely with the EU, given the importance of the UK internal single market, as I have discussed.

I move amendment 25.

**Colin Smyth:** Amendment 39 calls for the changes that are made under the bill to be consistent with achieving dynamic alignment on EU regulatory standards—specifically those that are related to environmental standards, animal health and welfare, food safety and sustainable management of natural resources.

Agriculture is one of the areas in which regulatory alignment with the EU is most important, so it is worth exploring whether the bill could be an opportunity to enshrine that principle in legislation, given the delays to the UK Withdrawal from the European Union (Legal Continuity) (Scotland) Bill.

Amendment 39 would apply only to secondary legislation that would be made under the eventual act. That would ensure that standards would be maintained during the transition period, without our putting in legislation something permanent and general that could end up conflicting with, or duplicating, the general provisions in the continuity bill. However, I hope to discuss the issue further and to consider alternative approaches to the general principle.

Often, probing amendments are used; the cabinet secretary is aware of my views on that issue. My aim is to have discussion about the principle. I appreciate that the conduct so far on some other amendments means that that might be difficult.

Rachael Hamilton's amendment 25 raises an important point about the need for regulatory alignment with the rest of the UK on certain issues. Internal UK markets are worth three times more than the EU single market, so it is in the interests of Scottish agriculture to ensure that we have common frameworks with the rest of the UK, where appropriate.

Amendment 25 applies to food promotion schemes, marketing standards and carcase classification, all of which appear to be areas in which some alignment would be helpful. I am not convinced about the exact wording of amendment 25; indeed, I recognise that there is likely to be a conflict between it and my amendment 39.

However, I believe that the point that is raised in amendment 25 is similar to that which is raised in my amendment 39, and that it is an important issue that needs to be addressed. If that is not done in legislation, I hope that the cabinet secretary will at least clarify the position, and that we can have a grown-up debate on the issue.

11:15

Richard Lyle: Rachael Hamilton's amendment 25 feels like a typical Tory countermove to give away Scotland's hard-fought-for powers, with the UK Government currently wriggling its way out of committing to maintaining high animal welfare, food safety and environmental standards. I would be very concerned if we were to agree today to commit to whatever standards the UK Government comes up with in the future. Surely we should maintain the right to make decisions case by case, based on what best meets Scotland's interests, rather than on what suits the Tories.

I have some sympathy with Colin Smyth's amendment 39. It is, after all, the Scottish Government's and the Scottish Parliament's agreed position to seek to keep pace with EU standards, even after we have left the EU. I am keen to hear what the cabinet secretary has to say. Is the amendment the best way to bring such a commitment into domestic legislation?

**Emma Harper:** I would echo the points that Richard Lyle has made. I am keen that, given the recent voting in the UK Parliament, which might affect the standards of produce that comes into this country, the Scottish Parliament should keep whatever ability and powers we have to maintain the best welfare and standards that we can apply. We need to ensure that the powers to control our food standards remain with the Scottish Parliament.

Fergus Ewing: I wish to make it clear that the Government is committed to doing the very best for Scotland's rural economy, and I want to avoid any changes to marketing standards that would cause problems for Scottish businesses trading with the rest of the UK and beyond. Unfortunately, that test is not met by amendment 25, which refers to "UK Standards" when those are not actually provided for in the UK Agriculture Bill. Rather, it sets up three separate regimes of marketing standards and carcase classification in the rest of the UK—one for England, one for Wales and one

for Northern Ireland. The Agriculture (Retained EU Law and Data) (Scotland) Bill will complete the picture by establishing a similar regime for Scotland.

By passing amendment 25, we would end up with Scottish powers that differed from those elsewhere in the UK, which would make it harder to bring in comparable rules to those of the other Administrations, when that would be the right thing to do. Crucially, the amendment would have the effect that ministers would not be free to set standards that work for Scotland. We have heard that argument from Mr Lyle and Ms Harper: ministers would have to match an equivalent standard that had been set elsewhere in the UK, even if that standard was a poor fit for the needs of our farmers and consumers-or, worse, even it was a lower standard. Every other Administration in the UK would have freedom to act, while Scotland would be restricted under amendment, despite the matter being devolved. In short, amendment 25 unhelpfully cuts across the devolution settlement, in my view, so I cannot support it.

I do not think that Colin Smyth's amendment 39 is needed. I have sympathy with some of the arguments that he has put forward, but there are two primary reasons for my conclusion. First, Scottish ministers are already—and rightlybγ key legislation. Examples environment legislation include the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019, the Nature Conservation (Scotland) Act 2004 and the Animal Health and Welfare (Scotland) Act 2006. Those statutes already commit us to high standards, and the bill obviously will not change that.

Secondly, as I indicated at stage 1, the Scottish Government is committed to introducing a continuity bill that will provide the ability to align Scots law with EU law in areas of devolved competence. I anticipate that the matters that are covered by subsection (2) of the new section that amendment 39 seeks to introduce will be carefully considered for that purpose.

Including amendment 39 in the bill would potentially lead to the undesirable scenario of having different and, possibly, conflicting statutory measures, with different degrees of alignment applying to the same matters. I put that argument in the hope that Colin Smyth agrees that we would want to avoid that situation.

As Colin Smyth indicated, I am sure that we can work together across Parliament in seeking to achieve the aims that he has set out and which I share.

Rachael Hamilton: I accept the cabinet secretary's comments about schedules 5 and 6 of

the Agriculture Bill giving Welsh and Northern Irish ministers powers over carcase classification and marketing standards. However, my amendment 25 relates to the importance of the devolution settlement; indeed, it puts significant emphasis on how important the single market is to Scottish farmers.

**The Convener:** The question is, that amendment 25 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

#### For

Chapman, Peter (North East Scotland) (Con)
Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire)
(Con)

Mountain, Edward (Highlands and Islands) (Con)

#### Against

Finnie, John (Highlands and Islands) (Green)
Harper, Emma (South Scotland) (SNP)
Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Rumbles, Mike (North East Scotland) (LD)
Smyth, Colin (South Scotland) (Lab)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
Watt, Maureen (Aberdeen South and North Kincardine) (SNP)

**The Convener:** The result of the division is: For 3, Against 8, Abstentions 0.

Amendment 25 disagreed to.

**The Convener:** I call amendment 39, in the name of Colin Smyth.

**Colin Smyth:** I will not move amendment 39.

**The Convener:** I think that Mr Lyle wants to move it. Is that correct?

Richard Lyle: You know me so well, convener.

The Convener: I will refrain from commenting on that.

Amendment 39 moved—[Richard Lyle].

**The Convener:** The question is, that amendment 39 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

#### For

Finnie, John (Highlands and Islands) (Green) Smyth, Colin (South Scotland) (Lab)

#### Against

Chapman, Peter (North East Scotland) (Con)
Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire)
(Con)
Harper, Emma (South Scotland) (SNP)
Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Mountain, Edward (Highlands and Islands) (Con)
Rumbles, Mike (North East Scotland) (LD)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)

Watt, Maureen (Aberdeen South and North Kincardine) (SNP)

**The Convener:** The result of the division is: For 2, Against 9, Abstentions 0.

Amendment 39 disagreed to.

#### Section 12—Defined terms

The Convener: I call amendment 19, in the name of John Finnie.

John Finnie: I will not move amendment 19.

**The Convener:** Okay. I do not know people as well as I thought I did.

Amendment 19 not moved.

**The Convener:** I call amendment 20, in the name of Colin Smyth.

**Colin Smyth:** Consultation on agricultural activity is an important principle.

Amendment 20 moved—[Colin Smyth].

The Convener: I call amendment 20A, in the name of Rachael Hamilton.

Richard Lyle: On a point of order, convener.

The Convener: There are no points of order in committees, Mr Lyle, but if you would like to raise an issue, I will come back to you.

**Richard Lyle:** I record that I want to vote on amendment 20.

The Convener: If you were following the proceedings, you would know that, before we can vote on amendment 20, we have to vote on amendment 20A. Once I have disposed of amendment 20A, I will come back to amendment 20. Keep smiling. We are getting to the end. Have some trust in me.

Amendment 20A not moved.

**The Convener:** The question is, that amendment 20 be agreed to. Are we agreed? Mr Lyle, now is your opportunity.

Members: No.

The Convener: There will be a division.

#### For

Chapman, Peter (North East Scotland) (Con) Finnie, John (Highlands and Islands) (Green) Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire) (Con)

Mountain, Edward (Highlands and Islands) (Con) Smyth, Colin (South Scotland) (Lab)

#### **Against**

Harper, Emma (South Scotland) (SNP)
Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Rumbles, Mike (North East Scotland) (LD)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)

Watt, Maureen (Aberdeen South and North Kincardine) (SNP)

**The Convener:** The result of the division is: For 5, Against 6, Abstentions 0.

Amendment 20 disagreed to.

Section 12 agreed to.

Sections 13 to 15 agreed to.

### Section 16—Purposes for which information may be required and processed

**The Convener:** Amendment 21, in the name of John Finnie, is grouped with amendments 40 and 41

**John Finnie:** Section 16 contains an extensive list of purposes for which information may be required and processed, including, for instance, to "increase productivity". Amendment 21 would add

"risks to animal or human health".

which I think is proportionate and I hope will be supported by members.

I also give strong support to my colleague Colin Smyth's amendments 40 and 41, on issues to do with food.

I move amendment 21

Colin Smyth: I lodged amendments 40 and 41 in response to the Government's decision to shelve the good food nation bill. Although I acknowledge that the decision not to go ahead with the bill may have been unavoidable due to a lack of parliamentary time, it is nonetheless disappointing for many people. We therefore have a duty to reflect on whether there is other relevant legislation in which it would be appropriate to take forward elements of that bill.

A key part of the bill that is before us relates to data collection. Amendment 40, in my name, would allow data to be required and processed for the purpose of

"monitoring food security in Scotland".

The experience of the past few months has shown what a huge challenge food security is, and addressing that challenge should be a key aim of the good food nation programme.

#### 11:30

Monitoring food security can fortify the resilience of our food system by allowing the Government to proactively identify and mitigate threats to our food security. It can also help us to analyse and address the conditions that have given rise to high levels of food insecurity. Amendment 40 would ensure that the necessary data could be collected to monitor that important issue.

Similarly, amendment 41 seeks to ensure that the data that is needed for "any national food plan" can be collected. A proposed national food plan was a key element of the Scottish Government's proposed good food nation bill, and the experience of the past few months has made it clearer than ever that we need a more strategic, joined-up approach to food policy. The term "national food plan" is the Government's own language; it refers not to some central production diktat but to the need to work across departments on the full spectrum of issues relating to food, from farm to fork to waste. For example, a relevant issue in recent weeks has been the importance of contingency planning during a national crisis.

Amendments 40 and 41 would be relatively modest but useful additions to the bill, and both would serve a practical purpose in supporting the development of food policy. I lodged the amendments in part to encourage a discussion on the good food nation programme more broadly, and I hope that we can have an adult discussion on the matter today and in the weeks ahead as the bill proceeds through Parliament.

Now that the proposed good food nation bill has been shelved, I hope that the cabinet secretary will use this opportunity to clarify the Government's plans in relation to a national food plan, and I hope that he will consider what other changes could be introduced in the bill that is before us in order to support those plans.

Amendment 21, which was lodged by John Finnie and which I support, clarifies the risks in relation to which information may be required or processed under sections 13 or 14, by specifying that the provision includes

"risks to animal or human health".

That is a useful addition that will make the provision clearer.

**Mike Rumbles:** I fully support the concept of a good food nation bill, and I have done for some considerable time. I was disappointed that the Scottish Government felt that it could not proceed with its proposed bill, which was so close to being published.

However, the bill that is before us today is a technical bill, and it is therefore not the place to add in any such policy issues. We need a new good food nation bill, and I urge the Scottish Government to introduce one as soon as possible. On that basis, I do not think that it is right for Colin Smyth's amendments 40 and 41 to proceed, and I will not support them.

The Convener: This will be my one contribution to the debate today, and I take off my convener's hat in order to speak as a committee member. I have always supported a good food nation bill,

and I was bitterly disappointed, having thought that the committee would be able to consider one, that things have panned out such that we will not now have the opportunity to do so.

Like Mike Rumbles, I do not believe that the bill that is before us is the perfect place in which to mention the good food nation concept. However, I believe that the bill process is the only chance that we will get to consider that concept, and I therefore support amendments 40 and 41. I am especially thankful that Colin Smyth found the time to come to me and explain his amendments, which I was originally not entirely happy with, so that I understood what they meant and what they were trying to achieve.

I see that Rachael Hamilton wants to come in—I will bring her in, and then we will hear from the cabinet secretary.

Rachael Hamilton: It is just a brief point, convener. I agree with the comments from you and from Mike Rumbles. We should have had the opportunity to enshrine the good food nation concept in law through the proposed bill. The concept is popular. In a way, I agree with Mike Rumbles that these amendments are a way to put into the bill that is before us what we all expected the proposed bill would take forward. However, we have no option, because the Scottish Government decided to drop that bill and we are left with no voice. We should do Colin Smyth's amendments justice and take the issue forward to stage 3, where we can discuss it properly.

**Fergus Ewing:** I thank John Finnie for speaking to his amendment. We, too, had discussions prior to this meeting, and, in the light of that, I am happy to accept amendment 21.

I also thank Mr Smyth for his explanation of the purposes behind his amendments 40 and 41, much of which I agree with. The past three months have, sadly, illustrated the fragility of global food supply chains and thus food security. Plainly, therefore, it is necessary to collect the relevant data.

The committee gave consent to the UK-wide provisions on reporting on food security through the UK Agriculture Bill, because it makes sense for a UK-wide report to consider the effective working of UK and global supply chains. Part 2 of our bill enables the Scottish ministers to collect information about the activities of those who are in, or closely connected with, agri-food supply chains and those who carry out other agricultural activities.

In response to Mr Rumbles's remarks, amendment 40 touches on an area that is within the scope of the bill because it relates to information gathering and to a species of information that we may wish to ingather. That

said, I believe that the definition of the information that we are already able to ingather is wide enough to cover it, but we will undertake to look further at that if, in exchange, Mr Smyth is willing not to move his amendment. I undertake to come back to the committee and Mr Smyth prior to stage 3, after we have had a chance to look at whether, on the narrow technical point, it is necessary to bring something else into the bill to enable that to be done, with which we entirely agree.

Turning to amendment 41, Mr Rumbles is correct that it is trying to do something that the good food nation bill would have done. We are absolutely in favour of a good food nation bill, but I am afraid that, because of Covid, the parliamentary time is just not available. That is, I think, a statement of fact.

The statement of policy that the bill would set out would cover food production and consumption issues relating to, for example, the growing, harvesting, processing, marketing, sale, preparation and consumption of food and the disposal of waste arising from that, as well as access to affordable, local, nutritious and culturally appropriate food and food in the public sector.

The necessary postponement of the good food nation bill does not mean that we should not set out a statement of policy on a non-statutory basis. I agree with Mr Rumbles that the present bill is not the place for a substitute good food nation bill. However, if Mr Smyth again agrees not to move his amendment 41 today, I undertake to look at how we can set out a policy commitment on that and develop that statement of policy.

I hope that members will accept that undertaking and that Mr Smyth will not feel the need to move amendment 41. However, if he does, I suggest that it be rejected. I hope that he will accept that we desire to work with him and others on the committee to find a way forward on the matter, perhaps on a non-statutory basis. I hope that I have explained that clearly.

**The Convener:** Thank you, cabinet secretary. I ask John Finnie to wind up and to press or withdraw amendment 21.

**John Finnie:** I will simply press the amendment.

Amendment 21 agreed to.

The Convener: I call amendment 40, in the name of Colin Smyth.

Colin Smyth: In the light of the cabinet secretary's very helpful comments, I will not move amendments 40 and 41, in the hope that we will have further discussions on the issue. I make it clear that the issue is not about importing the good food nation bill into this bill; it is about considering the bill's current objectives and updating them to

reflect the events that we have seen in recent months. I hope that we will be able to have a grown-up debate in the weeks ahead and that we will not see the antics that we saw earlier, with people moving amendments that were designed as probing amendments. I welcome the cabinet secretary's comments, and I look forward to the discussions in the weeks ahead.

Amendments 40 and 41 not moved.

Section 16, as amended, agreed to.

Sections 17 to 19 agreed to.

#### Before section 20

Amendment 42 moved—[Colin Smyth].

**The Convener:** The question is, that amendment 42 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

#### For

Chapman, Peter (North East Scotland) (Con)
Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire)
(Con)
Mountain, Edward (Highlands and Islands) (Con)

Smyth, Colin (South Scotland) (Lab)

#### Against

Harper, Emma (South Scotland) (SNP)
Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Rumbles, Mike (North East Scotland) (LD)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
Watt, Maureen (Aberdeen South and North Kincardine)
(SNP)

#### **Abstentions**

Finnie, John (Highlands and Islands) (Green)

**The Convener:** The result of the division is: For 4, Against 6, Abstentions 1.

Amendment 42 disagreed to.

Section 20 agreed to.

#### After section 20

**The Convener:** Amendment 31, in the name of Rachael Hamilton, is grouped with amendment 32.

Rachael Hamilton: From the start, I have been clear that the bill should be about process, not policy. The reporting mechanism in amendment 31 will ensure that new policy is introduced after 2024, rather than allowing retained EU legislation to continue beyond then with corrections being made through the negative procedure, which would not benefit the agricultural sector in the long term.

Farmers need clarity on policy direction, and amendment 31 will provide that by forcing the Government to report on its work. We share the

concerns of many stakeholders, members who spoke in the stage 1 debate and the relevant parliamentary committees that it would not be proportionate for the Scottish Government to hold indefinitely the potentially broad power that section 2 confers on it.

My amendment 31 seeks to ensure that the Scottish ministers update and report to Parliament on their progress in developing a policy-focused agriculture bill that will outline the future direction of Scottish agriculture.

Policy work has been done by various task forces, but that work must be incorporated into a new bill; it would be inappropriate to add it to this bill. The Conservatives have continued to press the Scottish Government to provide further clarity on its policy proposals for future farming support.

#### 11:45

My amendment 32 would ensure that

"The Scottish Ministers must, no later than 31 March 2026, bring forward proposals for legislation to implement their policy for agricultural support."

The process for this bill cannot simply run on; a stand-alone Scottish agriculture bill must replace it no later than March 2026. Such a bill would outline a future farm payments model, detail various efficiency and environmental schemes and ensure that support is provided for pilot schemes and new entrants.

I move amendment 31.

Maureen Watt: Rachael Hamilton seems to be keen to bolt everything down in statute, but I thought that the committee had agreed, in its stage 1 report, not to require such a statutory undertaking. We are asking the Government to provide only a progress report on legislation to replace the current CAP by 2024. Would it not be the case that we would not be able to design, develop and implement a new support system in time to deliver any new policy? I would have thought that we would not want to risk that happening. I look forward to hearing what the cabinet secretary has to say on that.

Fergus Ewing: As I set out in my evidence sessions with both this committee and the DPLR Committee at stage 1, I already update Parliament regularly on the steps that are being taken to develop future policy on farming and food production. I made it absolutely clear that I am happy to continue to do so, and I will.

Both committees accepted my explanation, as was reflected in this committee's stage 1 report, which stated:

"As a result of reassurances provided by the Scottish Government that it intends to report regularly to the Parliament as regards the Bill's implementation, the Committee is satisfied that there is no need for a statutory requirement on periodic reporting to the Parliament to be included in the Bill."

With respect, I do not consider that that commitment needs to be made a statutory duty. Indeed, with regard to the proposed new subsection (3)(b) in amendment 31, I rather hope that the next Scottish Government will have made significantly faster progress in making substantive policy and legislation than Rachael Hamilton anticipates. I understand the intention behind amendment 31, but I suggest that, as this committee and the DPLR Committee have determined, it is unnecessary.

Amendment 32 has been somewhat superseded by the fact that we have now agreed that a sunset clause will apply in May 2026. If we consider the precise wording of the amendment, we see that it is simply no longer necessary, because Parliament will be obliged to legislate in May 2026, rather than on 31 March of that year. By definition, therefore, amendment 32 is no longer relevant.

I understand why the member has lodged the amendment, but I respectfully ask that she accepts that it is not necessary for her to press it. If she decides to press the amendment, I would encourage the committee to reject it.

**The Convener:** I ask Rachael Hamilton to wind up, and to press or withdraw amendment 31.

**Rachael Hamilton:** I thank the cabinet secretary for his generous comments. I have no further comments, as I have already made my points. I will press my amendment.

**The Convener:** The question is, that amendment 31 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

#### For

Chapman, Peter (North East Scotland) (Con)
Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire)
(Con)
Mountain, Edward (Highlands and Islands) (Con)

Smyth, Colin (South Scotland) (Lab)

#### Against

Finnie, John (Highlands and Islands) (Green)
Harper, Emma (South Scotland) (SNP)
Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Rumbles, Mike (North East Scotland) (LD)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
Watt, Maureen (Aberdeen South and North Kincardine)
(SNP)

**The Convener:** The result of the division is: For 4, Against 7, Abstentions 0.

Amendment 31 disagreed to.

Amendment 32 moved—[Rachael Hamilton].

**The Convener:** The question is, that amendment 32 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

#### For

Chapman, Peter (North East Scotland) (Con)
Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire)
(Con)
Mountain, Edward (Highlands and Islands) (Con)
Smyth, Colin (South Scotland) (Lab)

#### **Against**

Finnie, John (Highlands and Islands) (Green)
Harper, Emma (South Scotland) (SNP)
Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Rumbles, Mike (North East Scotland) (LD)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
Watt, Maureen (Aberdeen South and North Kincardine) (SNP)

**The Convener:** The result of the division is: For 4, Against 7, Abstentions 0.

Amendment 32 disagreed to.

Section 21 agreed to.

#### Section 22—Interpretation and effect

**The Convener:** Amendment 33, in the name of the cabinet secretary, is grouped with amendments 34 and 35.

Fergus Ewing: The battery in my iPad is about to go flat—as an expedient, the broadcasting staff may need to shift me to where my official, Mr Burgess, is sitting. I hope that we can get through this group swiftly. It contains technical amendments that seek to reflect the requirements of the withdrawal agreement, which was approved during the preparation of the bill, but whose full implications are still unfolding.

The powers in part 1 of the bill can be used only to modify former EU law after it is rolled over into domestic law. Section 22(1) therefore provides that a reference to any EU regulation is to be read as

"a reference to the ... regulation as it forms part of domestic law by virtue of section 3 of the European Union (Withdrawal) Act 2018"

—that is, as retained EU law.

However, article 137(1) of the withdrawal agreement provides for the rollover of direct payment rules for the CAP 2020 claim year on 31 January 2020. As a result, there will now be at least two types of retained EU CAP law: pillar 1 rules already rolled over by the Direct Payments to Farmers (Legislative Continuity) Act 2020; and other rules as prospectively rolled over by the European Union (Withdrawal) Act 2018.

Section 22, as currently drafted, covers only the European Union (Withdrawal) Act 2018, and therefore needs to be amended so that it also covers the Direct Payments to Farmers (Legislative Continuity) Act 2020. The terms of the withdrawal agreement, and the urgent need to roll over direct payment rules at the end of January 2020, further show the need to be able to respond flexibly to unexpected events—of course, some uncertainty remains.

I need not detain the committee with the rest of my remarks. I have set out the technical reason for the amendments, and I hope that that will satisfy members on this somewhat abstruse legal matter.

I move amendment 33.

**The Convener:** It appears that you have satisfied committee members, because no one wishes to speak.

Fergus Ewing: It's the way I tell 'em.

**The Convener:** There is no answer to that. Do you wish to wind up on amendment 33?

Fergus Ewing: I do not, thank you.

Amendment 33 agreed to.

Amendments 34 and 35 moved—[Fergus Ewing]—and agreed to.

Section 22, as amended, agreed to.

#### Section 23—Commencement

Amendment 22 moved—[Mike Rumbles]—and agreed to.

Section 23, as amended, agreed to.

#### After section 23

**The Convener:** I ask John Finnie whether he wishes to move amendment 26.

John Finnie: I will not move amendment 26.

**The Convener:** I see that Richard Lyle would like to move it.

Amendment 26 moved—[Richard Lyle].

**The Convener:** The question is, that amendment 26 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

#### For

Chapman, Peter (North East Scotland) (Con)
Finnie, John (Highlands and Islands) (Green)
Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire)
(Con)
Mountain, Edward (Highlands and Islands) (Con)
Smyth, Colin (South Scotland) (Lab)

#### **Against**

Harper, Emma (South Scotland) (SNP)
Lyle, Richard (Uddingston and Bellshill) (SNP)
MacDonald, Angus (Falkirk East) (SNP)
Rumbles, Mike (North East Scotland) (LD)
Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
Watt, Maureen (Aberdeen South and North Kincardine)
(SNP)

**The Convener:** The result of the division is: For 5, Against 6, Abstentions 0.

Amendment 26 disagreed to.

Section 24 agreed to.

Long title agreed to.

**The Convener:** That ends stage 2 consideration of the bill. The bill as amended at stage 2 will be available later this week.

I thank everyone for taking part in today's meeting. The process seems to have worked and the voting seems to have been recorded accurately. I thank participants for their time; I also thank all those people behind the scenes who have made the meeting possible.

The Parliament has not yet determined when stage 3 will take place, but members can now lodge stage 3 amendments.

Meeting closed at 11:59.

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