



The Scottish Parliament  
Pàrlamaid na h-Alba

## Official Report

# MEETING OF THE PARLIAMENT

Thursday 10 May 2012

Session 4

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## Scottish Parliament

Thursday 10 May 2012

[The Presiding Officer *opened the meeting at 09:15*]

### Police and Fire Reform (Scotland) Bill: Stage 1

**The Presiding Officer (Tricia Marwick):** Good morning. The first item of business is a debate on motion S4M-02800, in the name of Kenny MacAskill, on the Police and Fire Reform (Scotland) Bill.

09:15

**The Cabinet Secretary for Justice (Kenny MacAskill):** I am pleased to open the debate on the general principles of the Police and Fire Reform (Scotland) Bill, and thank everyone who has helped to shape this important bill so far. In particular, I thank the convener and members of the Justice Committee for their detailed scrutiny and comprehensive stage 1 report, and I welcome their support for the general principles of the bill.

I should set out the context. In 2007, we set out to build a safer and stronger Scotland, and we have made significant and sustained progress. Scotland's fire and rescue services and the police are performing well. Crime is at a 35-year low and the clear-up rate for violent crime is at a 35-year high. That is helped by the 1,000 additional police officers whom we have delivered into Scotland's communities. Fire deaths are almost 50 per cent lower than they were a decade ago.

The police and fire and rescue services work with community partners to improve the lives of the people of Scotland and to support and help to sustain economic growth. The men and women of those services—whether they are bobbies on the beat, front-line firefighters or staff who carry out important duties behind the scenes—should be proud of that record of achievement, but the unprecedented cuts that are being imposed by Westminster mean that we need to take early, decisive action to ensure that we protect those achievements. We need to reform to protect and improve front-line services in our communities, particularly for those who need them most.

Restructuring to create single services is the best way to achieve that aim. Single services will also create more equal access to specialist support and national capacity and will strengthen the connection between services and communities. That is part of our wider public service reform programme, which focuses on improving outcomes for the people of Scotland.

I want to comment on the consultation and engagement that have taken place. As well as the two formal consultations, we have worked closely with the services, staff associations, trade unions, local government and others to shape our proposals.

**The Presiding Officer:** Mr MacAskill's microphone has gone off. Can we get it back on, please?

Will you resume your seat for a moment, Mr MacAskill?

09:18

*Meeting suspended.*

09:18

*On resuming—*

**The Presiding Officer:** Mr MacAskill's microphone is back on. Please continue, Mr MacAskill.

**Kenny MacAskill:** We have listened to senior officers, officers and staff in both services and the people in communities who rely on those services. I welcome the positive way in which stakeholders have engaged with us on reform and their commitment to ensuring that it is successful. Many have emphasised that commitment—for which I am extremely grateful—in their evidence to the Parliament. That positivity has been echoed in the work of the four committees that have considered the bill and delivered constructive and comprehensive reports. The bill has benefited from, and will continue to benefit from, that engagement and scrutiny.

The Government will continue to listen to Parliament during its scrutiny of the bill, to those who will be responsible for running and scrutinising the new services through their involvement in the 16 pathfinder pilots that we have set up to trial the new local arrangements, and to the bill sounding boards that we have set up to facilitate wider consultation with key stakeholders. If we work together, I am confident that we will deliver a robust, effective and high-quality act that meets the needs and expectations of Scotland's communities and fulfils our ambitions for Scotland.

The main legislation underpinning policing in Scotland is more than 40 years old. The bill will repeal that legislation and modernise it to create a service that will be fit to deal with the changing and more complex demands of the 21st century. The statutory framework governing the fire and rescue services was modernised in 2005. The bill will therefore amend that to establish a single service.

The bill sets out, as has never been done in legislation, a detailed framework for the new services and it modernises their governance to provide an enhanced focus on delivery of local services.

For the first time, the bill clearly defines the respective roles and responsibilities of the key players: Scottish ministers, the Scottish police authority, the Scottish fire and rescue service board, and the chief officers of both services. Also for the first time, the bill provides opportunities for Parliament to scrutinise policing and fire and rescue services regularly and systematically.

The national governance structures will ensure a focus on the local. Single services will strengthen the links between the services and the communities that they serve by enabling individual local councils, not regional joint boards, to take on a new role at a national level and to shape services in their local area.

**Lewis Macdonald (North East Scotland) (Lab):** I appreciate the cabinet secretary's generosity in taking an intervention. What does he mean by a new role at national level for local authorities? How will that be an improvement on the current situation?

**Kenny MacAskill:** Matters will be dealt with locally and nationally. The local divisional commander will interact with the local authority at a higher level than the local authority would have interacted previously when delegates simply went to councillors or whatever. The opportunity to be in charge of what is happening locally and to play a part in what is happening nationally will be much greater than it ever was before as we move towards a national service.

As we have said—and I will be commenting on this later—there will be a role for locally elected representatives to play at the national level on the SPA, but the greater accountability at local level will allow for greater interaction between the divisional commander and more senior officers.

I welcome the Justice Committee's constructive and wide-ranging report. I submitted a detailed, written response to the report yesterday and I will not attempt to respond to all 48 conclusions now, but I would like to consider some of the main issues that the committee raised.

The timescale for reform is challenging, but financial realities mean that we need to take early action to protect and improve the services. We need to set up the new services as soon as possible to maintain the momentum for reform, to reap the benefits, and to provide certainty for the services, their workforce and the communities that they serve.

The leadership of the services supports a start date of 1 April 2013 and I will continue to work closely with them and others to achieve that. That is just one step on the reform journey, and we will need strong leaders in place to lead the services into the future. I therefore strongly agree with the committee's recommendation that key appointments such as the chief constable, chief fire officer, board chairs and the police investigation and review commissioner should be made as soon as possible.

**Dave Thompson (Skye, Lochaber and Badenoch) (SNP):** The cabinet secretary will know that, in the past, I have raised the issue of specialist back-up and support services. Obviously the appointment of the chief officers and the boards will be crucial in that respect. I am sure that he will agree that as many as possible of those services should be spread around the country and that striving to do that should be a basic principle for the boards, the new chief constable and the new chief fire officer.

**Kenny MacAskill:** We share that view; indeed, it has always been a desire of the Government. Ultimately, the matter is one for the boards, the authority and the respective chief officers, but we expect the board and authority to reflect Scotland's communities not only in respect of gender and ethnicity but geographically and to ensure that the benefits of a single service—by which I mean specialisation, the availability of services and other such fruits—are shared across the country. In any case, we are working hard to achieve all of this and expect the chief officers and chairs of the boards to be in place in autumn 2012.

I share the committee's concerns on VAT. The main purpose of reform is to protect front-line services in the face of budget cuts from Westminster. Although we based our costings for reform on such a worst-case scenario, it would be a travesty if some of the potential benefits of the reforms were to be lost in that way.

**David McLetchie (Lothian) (Con):** Will the cabinet secretary clarify whether the reform process is being driven by the need for protection from the so-called budget cuts from Westminster or by a desire to ensure that Scotland has the best possible service?

**Kenny MacAskill:** I have always made it clear that I did not come into post advocating the creation of a single service. However, the budget cuts have made it a necessity. On that basis and after discussions with those involved in the services, we have decided to make a virtue of a necessity. We have to change if we are to deal with the fundamental cuts coming from Westminster. Nevertheless, as we do so, we should take the opportunity to ensure that we provide the best possible service and that we

improve and enhance what are already outstanding services. I point out to Mr McLetchie that at the Scottish Police Federation conference a few weeks ago I received a standing ovation; meanwhile, as we speak, 20,000 officers are marching in London against the United Kingdom Government and the Home Secretary.

The Scottish Government is actively exploring with Her Majesty's Treasury the new bodies' VAT status and I can tell Mr McLetchie that we have been gratified at the Treasury's willingness to discuss the matter. Although discussions are still at a preliminary stage, we as a Government are grateful for the Treasury's attitude and are working together on a solution.

I welcome the committee's conclusions on the role, size and composition of the Scottish police authority and the Scottish fire and rescue service boards. They will play a crucial role in the new services' success, and the committee is quite right to point out that their primary function is to govern the new services and to hold the chief officers to account, not to provide local representation. As a result, we agree with the committee that we should not prescribe in legislation the boards' exact make-up. It is more important that each board has the right combination of members with the skills and experience to do its job effectively.

On the size of the boards, I note the committee's concerns about their having any fewer than 11 members and the views expressed by witnesses at stage 1. We will take a final decision on the matter after this debate, but we are happy to engage with members and other groups in that respect.

Critical to the success of the reform will be how the national boards and local authorities work with each other. The bill clearly links the national and the local by providing that local authorities will be consulted on strategic priorities and strategic plans, by placing duties on the chief constable and the SFRS that are tied to local service delivery and by ensuring that local plans reflect national strategic plans where appropriate. All that will be done while retaining the flexibility for local authorities to develop their own models of engagement and to formulate local plans reflecting local priorities and circumstances. The pathfinder pilots are considering how that will work in practice and their findings will inform any guidance on the issue.

The independent investigation of the most serious criminal allegations and incidents involving the police is crucial to ensuring public confidence and to meeting our human rights obligations. It is therefore important that the police investigations and review commissioner has everything necessary to carry out their job effectively. The Justice Committee has made a number of

observations and recommendations on how the commissioner will carry out their investigations, which I will consider carefully before stage 2.

The reforms that are set out in the bill are essential to safeguard the vital front-line services on which communities depend. The reforms will improve performance by retaining local services for local communities while giving all parts of Scotland equal access to national expertise and assets. The new services will enhance partnership working at local level. Further, at national level, the Scottish Parliament will have more opportunities to scrutinise the performance of services and to hold them to account.

I move,

That the Parliament agrees to the general principles of the Police and Fire Reform (Scotland) Bill.

09:31

**Jenny Marra (North East Scotland) (Lab):** I welcome the opportunity to speak in the debate on behalf of the Justice Committee. We were appointed as the lead committee for consideration of the Police and Fire Reform (Scotland) Bill at stage 1, with the Local Government and Regeneration Committee as the secondary committee. I thank that committee for its report on the parts of the bill that relate to arrangements for local authorities and implementation of local police and fire and rescue services. We are grateful to the Finance Committee and the Subordinate Legislation Committee, which also reported on the bill, helping us to gain a wider understanding of the financial and technical issues. Finally, I thank all the witnesses and those who provided written submissions, some of whom found themselves in front of two or three committees within a matter of weeks.

I will begin by making clear the committee's position on the general principles of the bill and then explain how we arrived at some of our main conclusions and recommendations. In our view, the general principles are to merge the current police and fire and rescue services into two single services, transferring the governance and oversight responsibilities from local authorities to new national boards. The key issue for the committee in considering the general principles was whether the new national structures could deliver the single services effectively throughout Scotland.

Some witnesses argued that the bill will erode the local authority role in policing and fire and rescue services, while others said that reform will not be detrimental to local policing or local fire and rescue services. The majority of committee members agreed with the latter view. We believe that reform presents an opportunity to enhance

service delivery across communities in Scotland. The majority of the committee therefore supports the general principles of the bill. However, we raised a number of concerns about implementation of the reform, which I intend to discuss briefly.

We heard overwhelming evidence from police and fire bodies that the chief constable and chief fire officer should be appointed sooner than December, as originally planned. We recommended that both positions should be filled as early as possible to ensure that there is enough preparation time to be ready on day 1, which is 1 April 2013. I am delighted that the Government has listened to the views of the committee and witnesses on the issue and has agreed to start the appointments process in the summer rather than the autumn. I hope that the Government is as supportive of the other recommendations in our stage 1 report.

The committee heard evidence that there might be difficulties in achieving within the expected timescales the projected savings that are set out in the outline business cases for reform, which were used to inform the financial memorandum. We also heard that there is, understandably, concern among civilian staff, in particular about projected redundancies. We heard that 2,000 or more civilian posts could go in the police service alone. Therefore, we asked the Government to clarify the impact of those redundancies and to set out how they might affect the front line.

Another issue that arises from reform is that, unlike the current police and fire authorities and the joint boards, the new services may not be able to recover VAT. Regardless of whether that money will need to come from the police and fire and rescue budgets or elsewhere, we are concerned that the loss of the VAT exemption will result in an annual recurrent loss of millions of pounds from the Scottish budget. Therefore, we have urged the Government to pursue with the Treasury all available options to ensure that, like the Police Service of Northern Ireland, the new services qualify for a VAT exemption.

Leaving aside implementation issues, I turn to another theme that arose from the evidence. More robust accountability mechanisms are needed for the police service than are proposed in the bill, particularly as the police authorities and joint boards, which historically have provided the main democratic oversight of the police service, are to be abolished.

Some witnesses argued that there could be more accountability to the Parliament and that it could undertake more scrutiny, and the committee agreed that there is a strong case to be made for securing in the bill parliamentary oversight of the police. We noted that there were different ways of

achieving that. For example, the role could be carried out by the Justice Committee itself, by an ad hoc committee or by a new parliamentary body along similar lines to the Scottish Commission for Public Audit. We have called for those and other options to be explored further by the Government. In any event, we think that we need to find a new way of ensuring that the principle of the police carrying out their duties with the consent of the public is, and is seen by the people of Scotland to be, upheld under the new arrangements.

The boards of the Scottish police authority and the Scottish fire and rescue service provoked much discussion among witnesses, and we received a variety of views—in particular, on their optimum size. Some witnesses argued that the boards should focus on scrutiny and have a larger membership, with councillors being their foundation. Others took the view that the boards should be governing bodies and that the skills and expertise of the members was more important than the boards' size. The committee agreed with the latter view that the main function of the boards is to govern the new services and to hold the chief constable and the chief fire officer to account. We were reluctant to stipulate the size of the boards, but we leaned towards the view that a board of fewer than 11 members would not provide the breadth of knowledge and expertise that is required. We also agreed with witnesses that the boards must be as transparent as possible, to demonstrate accountability and to gain public trust.

There are a few other issues that I would like to touch on, the first of which is local budgets. With reform, it is intended that funding for the new services will be provided entirely by the Scottish Government. Some stakeholders suggested that budgets should be devolved to local authorities and local commanders, so that there is some form of accountability to the local authority for policing in an area. We believe that, in the interests of transparency, it would be helpful for local authorities to be given a snapshot of resource allocation in their area as of 1 April 2013, so that they can measure any future changes, such as the transfer of funds, assets and human resources. In addition, we have asked for clarification of whether, in practice, local authorities will have any influence over police resources.

Finally, the committee has urged the Government to put in place arrangements to ensure that the police investigations and review commissioner and his team are appointed as early as possible, so that the public can have confidence in how investigations of complaints against the police are conducted from day 1.

I reiterate that the majority of the committee supports the general principles of the bill, and I

ask the cabinet secretary to consider fully our constructive suggestions on how it might be improved. I look forward to hearing other members' contributions to the debate.

09:39

**Lewis Macdonald (North East Scotland) (Lab):** Labour's approach to the general principles of the bill starts from our manifesto commitments last year. We said that we wanted to see

"a single police force for Scotland, with delegated authority and local accountability mechanisms,"

and

"a single fire and rescue service".

We said that we believed that single services could improve performance, increase efficiencies and

"free up resources for the front line".

We also said that there should be

"no cuts to police on the beat,"

that police jobs and police numbers should be protected, and that

"police officers should not be taken off the front line to cover the duties that should be carried out by police staff."

The committees that considered the bill raised a range of concerns—as we heard so eloquently from Jenny Marra—about what extra resources have been secured for front-line services under the bill, whether there are adequate mechanisms for local and national accountability, and what the impact of civilian staff redundancies will be. We share many of those concerns.

One aspect of this is the Government's failure to find a way of maintaining the eligibility of services to recover value added tax, which is estimated to cost £22 million a year for the police service alone. The cabinet secretary said that he is still exploring how that can be addressed with ministers in the UK Government, but the views of Treasury ministers have already been made clear. They have been categorical not only in stating that a national police force is ineligible for recovery of VAT but in making clear that the Scottish ministers have known that from the outset, because the relevant statute provides for recovery only for services that are funded by local rather than central Government.

**Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP):** There may be a way for local authorities to have the ability to contribute, thereby showing that these are local services. Does the Labour Party have any suggestions to assist with that?

**Lewis Macdonald:** I am pleased that the convener of the Justice Committee has made that

point. I asked the cabinet secretary on 27 March whether he had considered whether there was any way of keeping single services within the local government family in order to limit their tax liability, as suggested by stakeholders such as the Convention of Scottish Local Authorities and Unison. Indeed, Christine Grahame will know that point (b) in paragraph 32 of the Justice Committee's report asks precisely the same question. Unfortunately, Kenny MacAskill's reply to me on 27 March was that,

"Although we have given consideration to the suggestion that you mention, it still lacks clarity."—[*Official Report, Justice Committee, 27 March 2012; c 1229.*]

The responsibility for fleshing out the suggestion clearly lies with the Scottish Government, as it introduced the bill. If the Government did not do so in advance of stage 1, I hope that it will do so in advance of stage 2. I struggled to find a response to paragraph 32(b) in the Scottish Government's response to the Justice Committee's report.

**John Finnie (Highlands and Islands) (SNP):** It seems that the trigger for exemption from VAT is local delivery, yet the UK security services are exempt. Is the member aware of that?

**Lewis Macdonald:** The precise statute under which VAT recovery is available to police and fire services relates not just to local delivery but to local funding. As the Justice Committee convener suggested, that is the nub of the question, and ministers have yet to answer that question.

**Christine Grahame** rose—

**Lewis Macdonald:** I am delighted to take a further intervention from Ms Grahame.

**Christine Grahame:** Even if I were to accept the argument that there is not a solution as we have suggested, could the member say what the Labour Party's solutions would be if it was in government? Has it investigated and explored other ways of ensuring that the VAT exemption remains?

**The Presiding Officer:** Mr Macdonald, I will give you extra time because of all the interventions that you are taking.

**Lewis Macdonald:** I am grateful to the Presiding Officer for that constructive and enlightened approach on this occasion.

I am of course willing to bat the question back to Ms Grahame's party and Government, because this is not something that ministers have had to think about only since they were re-elected in May 2011. As Mr MacAskill pointed out to me in committee when I asked a question on this matter, the Scottish Police Services Authority has been paying VAT since the Scottish National Party was first elected in May 2007. If Mr MacAskill and his

colleagues have not found a way to persuade Treasury ministers to take a different approach to VAT on the SPSA over the past five years, it stretches credulity to think that they can intervene with Treasury ministers and persuade them to change their minds at this late stage. Clearly, there is a fundamental flaw in the way in which the Scottish Government has introduced the bill.

The Government argued in the outline business cases and the policy memorandum that single services offer greater savings than regional services. That is one of the main reasons—not the only one—for providing a single service in place of a number of regional services. However, the savings of around £20 million each year are cancelled out by the VAT liability. In judging what is the best model, ministers appear to have said that, on the one hand, they will go for the single service because it saves £20 million but, on the other, they will proceed with a bill without having solved the VAT issue even though it will cost £20 million. That is why witness after witness questioned how significant savings could be made, not just to pay the VAT, but to achieve the other economies that the cabinet secretary has promised, and which he said today have driven the Government's approach to the bill, while maintaining police numbers as he has also pledged to do.

The savings must come from somewhere. The fear is that cuts to civilian staff posts will put the delivery of front-line services at risk. As we have heard from Jenny Marra, more than 900 posts have already gone and some 2,000 more posts are under threat. Dave Watson of Unison told the Justice Committee that one result of that will be that police officers will be paid

“at great cost, to do jobs that they are not qualified to do.”  
—[*Official Report, Justice Committee, 28 February 2012; c 1015.*]

In its response to the Justice Committee yesterday, the Scottish Government replied to those concerns by implying that the only civilian posts under threat are administrative support posts in areas such as human resources and finance, where jobs will no longer be needed once the eight services are merged into one service. However, that is not what witnesses told the committee, and it is certainly not what trade unions representing police staff told me. Indeed, Mr MacAskill defended the approach taken in Lothian and Borders to replace police custody support staff with police officers at significantly higher rates of pay on the basis that a police officer could do something else when there was nobody to guard in the cells of the police station. That logic points in the direction warned of by Unison: reversing the civilianisation of roles that do not require a police officer, and taking the police service back to the

1970s and a less effective, less efficient and less professional era.

**Kenny MacAskill:** Is the member saying that the decision that was taken by the chief constable, and supported by the police board in Lothian and Borders, was wrong? I understand that the police custody support officer's pay rate was higher than that for the police constable, and the police constable offered flexibility.

**Lewis Macdonald:** My concern is not with that specific decision—I highlighted the issue because the cabinet secretary chose to highlight it—but with the logic of the decision. If the view is taken that jobs that are carried out by civilian staff could just as well be done by police officers in their spare time, the risk is run that police officers cease to police. That is the fundamental risk that Unison and others have rightly highlighted. The consequence of such an approach is that, although the number of police officers stays the same, more and more are employed doing jobs that do not require the powers of a constable.

Maintaining levels of policing in our communities is not only about maintaining the headline number of officers; it is about whether officers are employed in policing. A constable who is employed in custody support in place of a civilian worker—whatever the relative rates of pay—is clearly not doing that policing job.

Such changes are not cost or risk free. For example, John Duffy of the Fire Brigades Union argued that redundancy costs in the fire and rescue service could be as much as twice the amount that is indicated in the outline business case. Part of the reason for the Government's failure to bring forward a full business case no doubt relates to the timescale that it has imposed on the process, which was a source of concern for many witnesses who gave oral or written evidence. In other words, the problems that are identified in the outline business case have not been solved, and the cabinet secretary said yesterday that the problems will not be addressed until the new services are in place.

I am glad that the cabinet secretary has accepted the wisdom of the committee's findings on the early appointment of chief officers, but it would not be too hard to find examples of ministerial replies where autumn does not end until nearly Christmas, and summer appears to go on all year. It would therefore be useful if the minister could, when winding up, indicate not just the season but the calendar month in which the appointments are expected to take effect.

The Government's concession appears to indicate that the initial timetable was inadequate. The question remains—I speak from experience, as I am sure the minister appreciates—whether

simply appointing the chief officers earlier will go far enough to ensure a smooth and efficient transition from eight police and fire services to one police and one fire service. Major changes of that kind require time to work through. For example the transition in local government in the mid-1990s involved shadow councils and a transitional year, but that has not been ministers' approach in this case.

Ministers accept that the transformation in structures and culture in these services cannot all be accomplished before 1 April 2013. They now accept the need for chief officers to be in place early. I invite them to consider carefully whether, even at this stage in proceedings, a more phased approach, following the appointment of the chief officers, might produce a more effective delivery of the targets that ministers have set.

The bill endorses the general principle of local accountability but, like the committees, we are not sure that ministers have yet got that right. It is disappointing that they have rejected the suggestion of the Local Government and Regeneration Committee on the development of strategies for public engagement in local services, and it is even more disappointing that the Government has rejected the Justice Committee's suggestion that local councils should be given a statutory right to specific information about the level of resources provided in each council area at the point of amalgamation of services. Given the concerns that are felt in many communities about the effects of centralising services, that seems a modest proposal, which the Government's commitment to transparency in this process should have allowed it to welcome. It is a matter to which we are bound to return at stage 2.

This is a once-in-a-generation opportunity to transform vital public services. In supporting the general principles of the bill at stage 1, we believe that ministers have more to do if they are to secure the prize of greater efficiency and better services. They should recognise the vital role that is played by civilian staff, stop the drift of police officers into civilian roles and address the issues of local accountability and democratic deficit in control of these services. I look forward to hearing ministers respond to some of those points this morning and to having the opportunity to improve the bill at stage 2.

**The Presiding Officer:** In line with my always constructive and enlightened approach, you have about seven minutes, Mr McLetchie.

09:51

**David McLetchie (Lothian) (Con):** Thank you, Presiding Officer.

I welcome the opportunity to speak in this debate on the Police and Fire Reform (Scotland) Bill. As I suspect will be the norm in speeches this morning, I will focus my comments on the establishment of a single police service for Scotland. The proposal for a single fire and rescue service, although equally important, is, in my judgment, a sensible efficiency measure and does not raise the same questions or issues of principle as the proposals for police reform do.

The Scottish Conservatives support the restructuring of police services in Scotland. Indeed, the creation of a single police force was a feature of our 2011 election manifesto. It is clear that in the current economic climate, savings have to be made throughout the public sector. A single force has the potential to create a more efficient police service for Scotland, and it is clear that the status quo of eight separate services is not an option, particularly if the current levels of front-line policing are to be maintained.

Our priority is to provide an effective, visible and local police service that is accountable to local people and communities throughout Scotland. Although I have expressed support for the general principles of the bill, we have a number of concerns on local accountability and the delivery of savings via the creation of a single police force, which I would like to outline this morning.

Any restructuring must ensure that police services are accountable to local people and that communities have a direct relationship with the police services that are serving them. The Justice Committee heard concerns from a number of witnesses that the bill does not strike the right balance between the determination of priorities at national level and local, community-based policing. The Government has invested a great deal of faith in its pathfinder projects—let us hope that that confidence is justified.

I have considerable concerns about the future employment of additional police officers who are currently funded by local authorities. According to Pat Watters of the Convention of Scottish Local Authorities, there are 600 to 800 such officers, and they are a key component of the 1,000 additional officers, who represent a pledge that we have sustained. Councillor Watters questioned whether councils would continue to fund those posts on the assumption that the additional funding would likely be transferred with the posts out of local government and into the new single service budget.

In its response to the stage 1 report, the Scottish Government asserts that local authorities will still be able to fund those additional officers and that the funding for them will not be transferred to the Scottish Government. It may be that our councils will be able to continue that

funding. However, the fact remains that the Scottish Government will be unable to guarantee the continuation of funding for those officers, even though the new police service for Scotland will be their employer. As a result, the employment of between 600 and 800 front-line police officers will be put at risk. That is not good enough and we need to find a way to localise certain aspects of the police budget to allow that and other initiatives to proceed.

On a related matter, as Lewis Macdonald pointed out in his speech, the stage 1 report urges the Scottish Government to provide local authorities with a snapshot of resource allocation to authorities as of April 2013, so that they can measure any future changes such as transfers of funds, assets and human resources. I disagree with the Government's response to that recommendation. Although it is true that councils will be able to request some of that information from local commanders, it is simply not good enough to rely on that. In the interests of transparency and accountability, local authorities should be provided with that information before funding for the new service is centralised.

The financial memorandum, which sets out the potential savings that would come from a single police force, has been based on an outline business case that was produced by the Scottish Government in July 2011, before it had decided which reform option to pursue. The memorandum states:

"It does not provide a plan or blueprint for the future delivery of the services and it is not intended to be used to set future budgets."

Chief Constable Smith of the Association of Chief Police Officers in Scotland told the committee that the financial memorandum was

"never intended by the police officers who were party to it, or by the consultants, to be a document that contained sufficient detail on which to base significant decisions about investment and savings."—[*Official Report, Justice Committee*, 28 February 2012; c 971-2.]

On 22 February 2012, the bill team told the Finance Committee that work for the full business case was being developed, but a full business case has still not been produced. Accordingly, the Scottish Government has not been able to provide ahead of today's debate a full breakdown of the projected savings from having a single force. Despite the indications from the bill team, the Scottish Government's latest response now asserts that a full business case is a matter for the police and fire services themselves and will be completed at the earliest opportunity available to the services. In my judgment, that is too little, too late. Full figures are fundamental to the argument for creating a single police and fire service, and it

is important that Parliament is given the necessary information before debating the bill.

Accordingly, the Scottish Government's assertion that a single force could achieve £130 million of savings within a year, with a total saving of £1.7 billion over 15 years, is highly questionable. The Government is rightly committed to maintaining the 1,000 extra police officers we helped to secure during the previous parliamentary session but, as police staff wages represent approximately 80 per cent of the total police budget, the protection of police officer numbers will ring fence a large proportion of total police spending to make financial savings. If those numbers are to be maintained, the question is how many police staff posts will need to be lost in order to achieve the level of savings that the Scottish Government is claiming will be made.

The Scottish Government has already set savings of £88 million by 2014, of which more than £50 million must be made by reducing police staff costs, which will amount to more than 2,000 full-time posts. That is not an insignificant number, especially given the fact that, last year, the total number of police support staff was around 7,000. At a time when police staff levels have already been reduced by 1,000 posts in the past two years, it will clearly be a challenge to achieve a further reduction in staff numbers via voluntary redundancy alone. It is worth noting that Chief Constable Smith told the Justice Committee that his

"personal and professional view is that the savings that have been set out in the bill will not be achieved". —[*Official Report, Justice Committee*, 28 February 2012; c 972.]

The stage 1 report raises concerns about the timetable for the appointment of a chief constable and the preparedness of local authorities for change. It is worth considering whether some delay would be appropriate in that connection. That would not only address the committee's concerns about the appointment of the senior officers but, of course, allow time for the production of a full business case.

The Scottish Conservatives welcome the bill in so far as it seeks to reform our public services in a manner that protects front-line services. As it progresses, we will continue to press for a police service that is accountable to local people and delivers real savings to the public purse.

**The Presiding Officer:** We move to the open debate. The time limit for speeches is six minutes, but we have a bit of time in hand and, if any member wishes to take an intervention, I will do my best to compensate them for that.

10:00

**John Finnie (Highlands and Islands) (SNP):**

As the cabinet secretary has made clear, this reform process has been driven largely by Westminster cuts. Nevertheless, it is important that we constantly review our public services. Indeed, the Christie commission has played a vital role in that respect and the current approach to shared services will certainly be applied to the new services. As far as the Scottish police service is concerned, the status quo is not sustainable if we are to maintain front-line numbers.

There has been wide consultation on the proposals and I want to thank everyone who has contributed to the debate in either written or oral form. I certainly think that, as a result of the bill, we will end up with something that is more democratic and accountable and allows more scrutiny.

I am well aware of the concerns that have been expressed about support staff numbers. However, what have not changed are the statutory requirement for an efficient police service and the monitoring role of Her Majesty's inspector of constabulary. Mr McLetchie quoted Chief Constable Smith in his speech, but Chief Constable Smith also made it clear that there was no movement of police officers into back-room positions.

Although I understand people's concerns about the creation of a single service and the potential for political interference, I must reaffirm the cabinet secretary's point that the bill clearly defines the roles and responsibilities of Scottish ministers, the police authority, the chief constable, the local council and the local fire officer and police commander in each local authority area. It also makes it clear that only the chief constable can direct police officers and only the Lord Advocate or the procurator fiscal can direct the chief constable in the investigation of crimes. Neither provision is a change to the present situation.

We also have an opportunity to strengthen links with communities. In the Highlands and Islands, Orkney sends two delegates to Inverness once every six weeks. Under a regional model, it would send only one delegate perhaps to Aberdeen once every six weeks; however, under the proposed model, the entire council will have hands-on involvement with the local commander with regard to police and fire services.

**Hanzala Malik (Glasgow) (Lab):** How will the council exchange views with the new police force? At the moment, representatives go before a board. If, as the member suggests, the whole council will be involved, what shape will that involvement take?

**John Finnie:** Of course, the pathfinder pilots are still on-going—indeed, there is one in my

area—but the fact is that the policing plan will play a key role. I imagine that there will be widespread consultation on that from community council and community beat-officer level up, with the aim of delivering a plan that is appropriate to each area. Moreover, the local authorities must be involved in setting priorities that are appropriate to them.

I think that the snapshot that a number of members have mentioned is terribly important. We already have a commitment to maintain 17,234 officers, and we need a similar commitment to a baseline for front-line fire and rescue officers that will allow scrutiny to be carried out. I think that it is remiss of the committee's report not to pick up on the fact that security in that respect partly comes down to something that is formally called regulation 19, which many police officers will be very familiar with. In my opinion, the bill alters that regulation unnecessarily, and I hope that that issue will be addressed.

The committee spent a lot of time discussing resources and resource allocation models. I should point out that, in each of the forces, tensions already exist between the localities and the centre, and we need to understand how they will be dealt with in the allocation of resources. Assistant Chief Constable Finlay of the Police Service of Northern Ireland told us in evidence that, under its current tactical tasking model, it is the merit of the individual bid for additional resources, not the rank of the person who makes it or the locality from which it comes, that is important. We also heard about the sharing of specialist services, which is important, particularly in a large landward area such as the one that I represent.

The appointment of the chief constable and chairs is important. We know that the boards' primary function will be to oversee the new services and hold the chief officers to account. The composition of the boards will therefore be important. There should not be a bidding war, as happened at one time, to see whose area can be represented. We need people with the appropriate skills to do that work in very public bodies.

We have heard about early appointments in autumn 2012. That is quite right. That is the response, but that is subject to the progress that is made and a role for the Commissioner for Public Appointments in Scotland, which is important.

Scrutiny has been touched on. Jenny Marra accurately reported what the report says. A sub-committee of the Justice Committee to fulfil that role is another option that we could actively consider, and I think that it will feature at some point.

It is important that leadership is shown. I pay credit to the Scottish Police Federation, the

Association of Scottish Police Superintendents and the Fire Brigades Union, which have grasped what many would consider to be a very difficult issue and moved it forward.

I could say many things, but I would like to touch on the Police Service of Northern Ireland and the advice that we received from Assistant Chief Constable Finlay and Sir Hugh Orde. The report mentions the human rights aspect. We have commended the model that applies in the PSNI. I would like to see human rights references included in the oath that Scottish police officers take, the training and, indeed, the entire ethos of the new service.

Can you remind me whether I have six or seven minutes, please, Presiding Officer?

**The Presiding Officer:** You have six minutes, so you need to start winding up.

**John Finnie:** I will conclude at that. Thank you very much.

10:06

**Graeme Pearson (South Scotland) (Lab):** As a member of the Justice Committee, I am pleased to associate myself with the comments and recommendations in the report.

We gathered an abundance of evidence that identified various areas in which positive decisions and sensible resolution are needed. Many of the recommendations have already been commented on and, given the time that is available, I will not be able to analyse in depth all that has been said. Suffice to say, the bill must not only deliver the cost cutting that the SNP Government seeks; more important, it must deliver at a community level by improving police and fire services for the people and communities of Scotland. The Government has a duty to provide a credible strategic vision to deliver the difference.

Lewis Macdonald maintained that we are talking about a once-in-a-generation change. In my view, the bill proposes the most fundamental changes to the police and fire services in more than 200 years. The end of the current tripartite arrangements prepares the ground for a slimmed-down hierarchy but creates new accountability, governance and scrutiny challenges. A national police service demands significant and effective democratic oversight.

Various witnesses, including Robert Black, in particular, identified the need for proper governance. The Auditor General spoke powerfully in connection with what he described as a “democratic deficit” in the bill’s arrangements, particularly in regard to policing—a vacuum in the way in which democratic accountability is delivered in the bill. Should any cabinet secretary

exercise powers to appoint, to pay, to obtain reports from a chief constable, convener and board, to sack a chief constable and to provide the police and fire services with their budgets, all through a civil service that is outwith the immediate oversight of a democratically elected group? The police exercise powers to arrest, to use force, to detain, to report for consideration of prosecution and to aid the conviction of a citizen. Would it not be proper for those functions to attract the highest level of democratic accountability? In Scotland, that should mean a proactive role for the Parliament.

Policing requires the consent of the public, and that consent is built on the knowledge that elected representatives at the national level effectively oversee the professionals concerned in the management and oversight of the police and fire services.

The Scottish police authority is not designed to offer democratic accountability and nor is it likely to do so, although it should be capable of effective governance of policing, as should its sister board in relation to fire and rescue. The Government suggests that the Justice Committee could deal with accountability issues. Alternative views have been expressed on that today. In my view, the Justice Committee has neither the available time nor the current focus to call to account the police, fire and associated bodies in the bill on an on-going basis, particularly in the initial years, as will be necessary to deliver properly for our communities. Equally, an ad hoc committee of the Parliament would be an insufficient response to deliver on these most important areas of public policy in action.

The way forward is to set up a commission of the Parliament, similar to the arrangements for the Auditor General, that is designed to operate in a non-partisan fashion and is tasked with proactively seeking appropriate evidence from witnesses on the arrangements that affect those who are responsible for the range of services that are covered in the bill.

I seek confirmation from the cabinet secretary that local police and fire and rescue boards will be made fully aware of the full range of resources that are currently provided in local authority areas and that support staff will receive the same support and job security that are currently extended to police officers. I am sure that the cabinet secretary will know about the growing concern in many areas that, without proper monitoring of the resources and services that are now provided, those areas will lose out. Will he therefore ensure that a comprehensive assessment is carried out for each board area to allay those fears?

Little has been said about the support from forensic services or about those who will provide

information technology support for the new single police force. It is imperative that the cabinet secretary reaffirms the absolute need for independence in respect of the preparation and delivery of forensic services, as requested, for police and fire services. Concerns were recently raised in the High Court about the process of forensic reporting, which is worrying. The cabinet secretary's planned arrangements for the future should take account of those concerns and ensure that there is no repetition of those worries. The arrangements for the SPSA integration provide little evidence on the IT solutions to unify the different reporting and recording systems in the eight separate police services and fire brigades. We need more detail and greater urgency on that.

It has been reported in the press that a salary in the region of £200,000 will be allocated to the heads of service. Does the cabinet secretary believe that those heads need such a salary, particularly in the current severe financial times? I do not think that they do and I do not think that the public believe so, either.

10:13

**Kenneth Gibson (Cunninghame North) (SNP):** It is a privilege to take part in a debate that I believe will be regarded as the beginning of the greatest change to Scotland's emergency services in generations, as Graeme Pearson suggested in his excellent and thought-provoking speech. The financial benefits of the reforms are obvious, but I am certain that the structure will also allow us to maintain world-class services of which Scots can be proud and which other nations will continue to envy. We must also recognise the fantastic scope to create modern and dynamic services that are more suited to the constantly changing demands that are placed on them in the modern age. Stephen House, the chief constable of Strathclyde Police shares that view. He has stated:

"I believe that we should have one, single national police force for Scotland ... not because"

it is

"the cheapest option—but because it is the right option."

Scotland's police force has witnessed dramatic change in the past and has continued to evolve and improve. In 1973, just before the last restructuring, Scotland had 20 chief constables and 11,000 officers. Today, we have eight chief constables and more than 17,000 officers. I believe that the reforms are another example of a progressive shift away from a top-heavy structure to a focus on the front-line provision of community safety and law enforcement.

Of course, the fact that we are restructuring our police service is not an admission that something is drastically wrong and that a radical shift is

required. In fact, the opposite is true. In the past 10 years, Scotland's fire and rescue services have performed remarkably well, with deaths from fire reducing by almost 50 per cent. The success of the police force has been similarly impressive. As the cabinet secretary indicated, crime is at a 35-year low, detection rates have improved and there are record levels of public satisfaction with the service that is provided. Very often, that is down to the commitment and excellence of individual police officers, on which we should congratulate them.

Following last year's riots in England, Professor Stephen Reicher from the University of St Andrews and Dr Clifford Stott from the University of Liverpool concluded in their paper, "Mad Mobs and Englishmen? Myths and Realities of the 2011 Riots", that the riots were caused largely by insensitive policing. They made it clear that there were no riots in Scotland because different policing attitudes prevail, with officers in Scotland being much more engaged and willing to talk to the public than those south of the border. Anecdotal evidence from Scottish police officers who were drafted into England to help subdue the riots confirmed that that was accurate; a number of such anecdotes were discussed at last night's police and fire reception, which I and a number of colleagues attended. It was pointed out that many rioters and young people in London and Manchester were shocked when Scottish officers struck up a friendly conversation with them. That approach is extremely important.

In view of that, it is essential that we maintain the effective approach of policing by consent that Jenny Marra mentioned, and that we retain the current number of front-line officers, so that such policing can be delivered. However, it has become apparent that, to achieve that, we—in line with every other western European country—must reform the police to gain maximum efficiency and to protect services. In essence, if we want things to stay the same, things will have to change.

The Finance Committee took evidence from a variety of key stakeholders, including the Fire Brigades Union, the Association of Chief Police Officers in Scotland, the Scottish Police Federation, COSLA and a number of regional police and fire and rescue services. Following those evidence sessions, the economic case for reform of the police and fire services was compelling.

The outline business cases for police and fire reform show that, together, the single services will deliver estimated efficiency savings of £1.7 billion over 15 years. I understand that Mr McLetchie has concerns about that figure, but the bill team gave robust responses to questions on the issue from members of the Finance Committee. As we have

heard, it is anticipated that, from 2016-17, annual recurring cash savings of £130 million will be made across police and fire and rescue services. The majority of those savings will undoubtedly come from a reduction in duplication, improved procurement and the sharing of resources.

For the police service alone, it currently costs £30 million to run the chief officers association, the eight police boards, the eight command teams of chief officers and the eight different corporate development systems, while £5 million is spent on the Association of Chief Police Officers in Scotland, £10 million on different information and communications technology systems and £1.7 million on procurement, because of the difference in specifications between forces. There is no doubt that, with a single service, significant efficiencies can be made in those areas, which could be reinvested in front-line services.

However, as I have made clear, the reforms will also help to create more dynamic police and fire services that are responsive to different challenges. Following reform, police and fire resources will be deployed more flexibly—some of that flexibility has already been introduced—and shared across the country, which will improve access to specialist services and assets, including firearms units, riot teams and specialised vehicles and equipment. That will help officers to tackle threats and to address needs that cross regional boundaries, and it will be particularly important when it comes to addressing the menace of organised crime and terrorism.

It is important to address fears that the new arrangements will disenfranchise local communities and will lead to a reduction in the quality of localised community policing, which I spoke so warmly of earlier. The bill strives to protect and, in fact, enhance the accountability of the police and fire services to local communities, and individual community requirements will continue to be prioritised.

The bill will ensure the creation of new independent bodies to hold the chief constable and the chief fire officer to account, while local area commanders will be given power and significant autonomy to make plans for their own areas; it will not be the case that such direction comes from the centre. In addition, the bill makes it clear that, under a single fire service, more responsibility will be devolved to front-line managers, who will work with locally elected officials and community planning partnerships to deliver locally focused and accountable services.

Through their councillors, local communities will have a far greater say in how policing is delivered. In my local authority area, two councillors out of 30 are on a joint police board of 34. It is estimated that, under the reforms, that will change to 12

councillors, who will have a direct and formal say in policing in the area.

I am proud that the SNP Government is taking this bold step to reform our police and fire services, and I am pleased that the two main Opposition parties are supportive of the direction that we are going in. It is important that we continue to provide high-quality services. In the face of unprecedented cuts from Westminster—cuts that David McLetchie tried to deny earlier—this approach to our emergency services is far more progressive than the policies of the coalition Government, which will slash police numbers by 16,000. Had this Parliament not been established, no doubt we would suffer the same cuts.

Once again, the SNP Government is leading the way and demonstrating an ambitious and positive way forward.

10:20

**Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP):** I am sorry that Jenny Marra is not here because I was going to commend her for deputising for me. I had not anticipated that I would be here today, due to circumstances—as they say—beyond my control. It is the first time that Jenny Marra has deputised for me and I hope that it is the last as I guard my convener'ship like a mother hen guards her chicks. If anyone dares to cluck at the next committee meeting, they will not get a supplementary. They have been warned.

That said, I turn to the bill. I want to touch on issues raised by the committee and questions that people would ask, such as about why we are reforming. Is it just to save money? That is no bad thing in itself. Does a single service mean that local needs and requirements will be sidelined? Will the central belt—the great conurbations of Glasgow and Edinburgh—dominate? Will the Highlands and Islands, with very able advocates such as Dave Thompson opposite, get more than the Borders gets? Will the appointment of a single chief constable for Scotland risk politicising the police? Who will hold him to account? Those issues were raised by my colleague Graeme Pearson. Will people, in particular civilian staff, lose their jobs? Will there be cost savings? At the end of the day, will we have better policing? The day after the establishment of a single service, will my constituents see any difference in day-to-day policing? Those are reasonable questions.

On the issue of why we are reforming, I accept that reform has, to a degree, been driven by the cuts from Westminster. They are not so-called cuts; they are real. However, as the cabinet secretary said, we have made a virtue out of a necessity. Having eight constabularies has been a

historical accident. Some, such as Strathclyde, are huge. In Lothian and Borders—my patch—we have had the chief constable for Lothian and divisional commanders in parts of my constituency in the Borders and Midlothian, and it works swimmingly. We do not notice any joining of the seams. With a population of 5 million, it is not ridiculous—in fact it is quite practical—to suggest that we have a single police force and a single fire and rescue service.

However, reasonable concerns were raised about how local issues will be addressed, and the committee raised them in its report. We must consider those issues, even if just to allay unnecessary anxieties. We did not want to put something formally into the bill about disputes—it would be like a red rag to a bull, as it would encourage dispute—but we need to ensure, certainly in the early stages of a police force, that local communities feel that they still have a say in what is happening in their area. David McLetchie raised an important point about the additional police that local authorities have been provided with. I note what the cabinet secretary had to say and I accept it.

I move on to the politicisation of the police. The committee raised issues about the Scottish police authority. It was clear from the evidence of some witnesses—I shall not name them because it would be embarrassing for them—that if we had local authority representation, there would just be a scrap about resources and so on. The view that was generally accepted was that the authority would hold the chief constable to account and have a strategic overview. I am beginning to speak like a convener—I must get out of that habit.

I am concerned about civilian staff. The Government has said that there will be no compulsory redundancies. I hope that there are opportunities to retrain civilian staff if voluntary redundancy is not available to all or if they do not want to take it.

Less has been said about fire and rescue. So much has changed in the delivery of fire services—I am thinking of my grandfather, long dead of course, who, way back at the beginning of the last century, drove a fire cart with horses. What they dealt with then was fires. That is why they were called the fire brigade. They put out house fires and factory fires. What fire and rescue services do now is far more diverse; in fact, fires are probably the least of the things that they deal with. I recently went into one of the big fire trucks and it had computers, inflatable canoes, gadgets for climbing and descending mountains and all sorts of other material. Regrettably there were cutters, which are needed for one of the biggest issues in rural areas: vehicle accidents. It is a whole different world. The committee's report says

that, although we do not want to see it in the bill, we want some codifying and examples to show how the service has changed. Also, because of recent tragic events, we would like to see not demarcation lines but some firm guidance to the fire and rescue service on what it can and cannot do and what it is expected to do.

I want to touch briefly on human rights, because I am very cross about something in the press today, saying that the Justice Committee never deals with human rights. The remarks were made using the example of four oral evidence sessions that took place in November. I do not know how the rest of the committee members feel but I am hopping mad—I had to be contained. The press release that has been released is very calm compared with what I said because I had a bit of therapy before releasing it. The Justice Committee's report deals with human rights at paragraphs 336 to 340. The convener of the cross-party group on human rights ensures that the committee deals with the issue. So—this time, on behalf of the committee—I say that we do treat the issue of human rights seriously.

**Jenny Marra:** Will the member take an intervention?

**Christine Grahame:** I will finish my point. If the authors think that that is academic research, then I can tell them that it is gey poor and that they should consider looking at the rest of the work that the committee does.

I apologise to Ms Marra but I must conclude on that point.

On the point about parliamentary scrutiny, I say to Mr Pearson that my mind remains open to a commission but he will need to flesh the idea out; we need much more detail and I do not know whether we have the time to do it because we would have to take a serious amount of evidence.

**The Deputy Presiding Officer (John Scott):** You can take Ms Marra's intervention if you want.

**Jenny Marra:** Does the convener agree that it is a sign of the most robust committee, Parliament and Government that they are open to having scrutiny of something as fundamental as human rights reviewed?

**Christine Grahame:** I do not mind that at all, and I welcome it, but—my goodness!—to look at four oral evidence sessions and to quote what the cabinet secretary said as if the committee said it is not academic research. I would be happy to meet the people who said those things, but my hands would have to be tied together.

**The Deputy Presiding Officer:** Thank you very much, Ms Grahame—ebullient as ever.

10:27

**Siobhan McMahon (Central Scotland) (Lab):**

Before I make my speech, it would be remiss of me if I did not mention those who are on strike this morning in the Public and Commercial Services Union. I wish them all the best for their campaign and for today as they picket Parliament in the rain.

The Police and Fire Reform (Scotland) Bill, which will constitute the greatest upheaval to police and fire services in Scotland for more than 40 years, presents us with a delicate balancing act. On the one hand we have the requirement to save money, reduce duplication and increase efficiency. On the other hand, our ultimate responsibility as legislators is to ensure that any public sector reform has the interests of the people at its heart. To sacrifice the latter for the former would be to fall victim to the same misconception that drives policy south of the border. Quality must always come before cost.

Several aspects of the bill are of concern to me. The first is the predicted timescale for the bill. Any fundamental reform to public services should not be entered into lightly regardless of the benefits that might accrue. I am concerned that police chiefs giving evidence to the Justice Committee have already expressed doubt about their ability to implement the changes effectively in the current timeframe. To amalgamate eight police services and eight fire services in less than a year is an enormous undertaking. Throw in the suite of savings, efficiencies and enhancements that the bill purports to make, and the problems begin to look insurmountable.

A major proportion of the projected cost savings in the police are to be made through staff reductions. To achieve that, the new force must shed 1,100 staff by 2013-14. Assuming that the bill is agreed to before the summer recess, with the new force scheduled to begin operating in April 2013, there is a very narrow timeframe within which to make the necessary redundancies. To compound that, we have yet to establish whether the target of more than 1,100 is even attainable. The limit on compulsory redundancies means that we will have to rely on voluntary redundancies and, in the current financial climate, it is doubtful that a sufficient number of people will wish to leave the police force.

Even if that were to be achieved, due process will require a prolonged period of negotiation in order to draw up fair, legal and transparent terms of severance. As a result, it seems unwise to adhere to any specific timeframe for achieving the necessary reductions. With every month that passes beyond the current schedule, more funds will be expended and less money saved.

I am sure that, like me, members will have received letters and e-mails from Unison members about the bill's proposals. In line with its commitment to improving the quality and scope of policing, one of the Scottish Government's flagship pledges is that there will be no reduction in front-line staff. Over the past few years, many individuals and organisations have expressed doubt about the veracity of the Scottish National Party's claim of 1,000 new police officers on Scotland's streets. I do not want to detract from the recent achievements of the Scottish police, but it has been suggested that a substantial proportion of those officers are performing back-office tasks in lieu of having a general reduction in support staff. There is no point in ring fencing funding for front-line police officers and then consigning them to back-office functions.

**John Finnie:** Chief Constable Smith said that that was not the case. Is he wrong?

**Siobhan McMahon:** The unions and those who work in the positions have told us that those are the facts. We need to weigh their remarks and whether they are wrong against the evidence of one person.

Equally, it is unfair and inaccurate to view support staff as being in some way inferior to those on the front line. Indeed, labelling a workforce that covers everyone from administrative workers to information technology and communications staff as "back office" does those people an immense disservice. Front-line police depend on support staff to function effectively; neither is easily dispensable and both are not interchangeable. Indeed, a chief superintendent told the Justice Committee that any changes to staff ratios that occur under this bill must strike

"the right balance between police officers and police staff—the right people with the right skills ... doing the right jobs"—[*Official Report, Justice Committee, 28 February 2012; c 972.*]

and concluded that that would present a very "significant challenge".

We need to strike the correct balance not only between cost and quality and between front-line officers and support staff but also between integration and accountability. Rolling eight police and fire services into one raises the obvious risk of creating an overcentralised hierarchy and it is imperative that, in attempting to achieve savings through the centralisation of resources, we do not rupture the bonds between the police and local communities.

Under existing arrangements, funding for the eight police forces comes from a variety of sources, with local authorities directly providing a substantial amount. Such an approach not only

allows for VAT savings in the region of £20 million but creates a direct link between local funding and local services. As funding for the single police force will come from a single block grant provided by central Government, it is not clear how that essential link will be maintained. The Scottish Government has stated its belief that the new arrangements will enhance councillors' influence on local police and fire services through their involvement in the strategic planning process, but the fact is that final accountability for the distribution and spending of money will always reside with the body that holds the purse strings. Given that the Scottish police authority will have ultimate responsibility, local councillors will have no authority over budgets and no oversight of the police in their area. It is difficult to envisage how such an arrangement will give councils greater influence; in fact, it might have an adverse effect on their ability to make long-term plans and set long-term objectives. Because of uncertainty about future funding levels, they will find it more difficult to tailor policies to local requirements.

In highlighting these issues, I emphasise that the changes made under this bill must enhance the police and benefit local communities. Although I am confident that we can realise the bill's goals of making savings while improving services, that will happen only if it is subjected to long and rigorous scrutiny that takes into account the views of all parties. We must ensure that the bonds between the police and local communities remain strong and that different authorities retain the flexibility to vary police strategies according to local need.

**The Deputy Presiding Officer:** I call Humza Yousaf, to be followed by Alison McInnes.

10:33

**Humza Yousaf (Glasgow) (SNP):** I welcome the Parliament's broad consensus on the bill's general principles. I appreciate that the next member to speak might well disturb that consensus, but the fact is that, as we have heard, reform of Scotland's police and fire service is necessary to allow the Government to keep its commitment to maintaining front-line services and to remove much of the duplication that exists across the eight services.

The committee has benefited greatly from the expert knowledge and excellent contributions of two former police officers, John Finnie and Graeme Pearson. Much to the disappointment of some committee members, we still have to recruit a former fireman to the committee but perhaps that situation will change in time.

**Members:** You mean firefighter!

**Humza Yousaf:** Indeed. It is the 21st century and, as members have reminded me, I mean "firefighter" not "fireman".

A number of issues have been highlighted that need to be discussed in relation to such a big change in one of our front-line services. The issue of timescales came up often. Although most witnesses said that the 1 April deadline might be challenging, the vast majority stressed the importance of appointing the chief constable and chief fire officer sooner rather than later. That will no doubt help the considerable changes to take root by providing clear leadership. However, the Government has a challenge in making the appointment when the police authority has not yet been created. I am keen to hear from the cabinet secretary or the minister how they intend to do that. In the meantime, I welcome the Government's confirmation that it will bring forward the recruitment process.

My colleagues have talked about the importance of the single police force being accountable and transparent to the public, so I will not spend too much time on the topic. However, I will touch on the evidence to the Justice Committee of Sir Hugh Orde, a former chief constable of the PSNI, who spoke about how the police board in Northern Ireland held him to account publicly at at least 10 meetings a year. Those meetings were televised and Sir Hugh was available for interview afterwards. That transparency proved successful, so it is important that we consider including that element in Scotland.

As has been said, the bill gives the Parliament the opportunity to have a formal role in scrutinising the police and fire services. In written evidence to the committee, the Auditor General for Scotland said:

"it is ... essential that the legislation establishes a formal mechanism to give the Scottish Parliament, as the democratic forum covering the whole of Scotland, a major role in ensuring there is open, participative and transparent oversight of policing in Scotland."

I agree that the Scottish Parliament is the ideal body to provide such scrutiny. The democratically elected representatives of the public have the mandate to ensure that there continues to be policing by consent, which is a tradition and a fundamental value that must be maintained in relation to our police service.

The committee has had somewhat tentative discussions on how that parliamentary scrutiny should take shape, which we mention in the stage 1 report. Should there be a stand-alone committee or a commission, or should the role be part of the Justice Committee's remit? I imagine that that theme will play a central role in the discussions as we move towards the next stages of the bill. It is fair to say that members of the committee are split

on the issue, although most of us are open-minded. Graeme Pearson articulated well the case for a parliamentary commission. Although I am keen to explore that further, my first instinct is that it might involve further bureaucracy and resource at a time when we can ill afford either. However, I am still open-minded on the issue and willing to hear the arguments.

**Graeme Pearson:** The member mentioned the example of Northern Ireland. Is he aware that the people who formed the board in Northern Ireland are all elected members of the Northern Ireland Assembly?

**Humza Yousaf:** I believe that elected members have an important role and I certainly do not discount the member's idea of having a commission. However, when the PSNI was set up, the financial circumstances were very different from those that we are in now. We must consider all the elements.

As a member of the Justice Committee, I know only too well the demands on that committee. We have had a somewhat quiet May, but that is a rarity.

**Members:** Shh!

**Humza Yousaf:** Sorry—I am not meant to say that. However, I am keen to further explore the possibility that John Finnie mentioned of setting up a sub-committee of the Justice Committee to take on that important scrutiny role. I am sure that we will continue to discuss the issues in the months to come.

Concerns have rightly been raised about the reduction in support staff as a result of the reforms. Those staff have specific skills and play a vital role in the police force. I know that the Government, along with the police service, will aim to minimise any reduction in the number of staff. However, the myth that, as a result of the reduction, police officers will be taken away from patrolling the streets to fill out paperwork all day in a back office was firmly knocked on its head.

The issue was raised in the committee and dealt with by Calum Steele of the Scottish Police Federation, who said:

“The nature of police work means that, once an officer lays hands on an individual and takes him or her back to the police station, that officer is off the street. There is no naivety in the public that police officers will spend eight, 10 or 12 hours of their shift on the streets. If that happened, it would create an interesting relationship between the police officer or police service and members of the public.”—*[Official Report, Justice Committee, 28 February; c 1013.]*

Furthermore, Andrea Quinn of the SPSA said that it is “disingenuous” to try to define staff as either front-line or back-office staff.

**Lewis Macdonald:** The member will recognise that other witnesses suggested other things. Does he agree that some civilian roles are carried out by specialists and that although police officers are simply not qualified for them, they are beginning to be asked to do them?

**The Deputy Presiding Officer:** The member must draw his speech to a close.

**Humza Yousaf:** I accept that there are specialist roles but to make the assumption that those are the ones that will lose out and that will be carried out by police officers is jumping the gun. We must all pay careful attention to what happens as a result of a reduction in support staff and clarification is vital, but making false assumptions will do more harm than good.

I am aware that I need to wind up, Presiding Officer, so I reiterate and put on record my support for having more fundamental human rights in the bill and perhaps even in the oath, as there is in the Police Service of Northern Ireland. I very much welcome the committee's report and its recommendations.

10:40

**Alison McInnes (North East Scotland) (LD):** I do not want to keep members in suspense so I start by saying that the Scottish Liberal Democrats remain opposed to the bill. We do not agree with the principle of a single police force or a single fire service. We still have serious concerns about the loss of accountability, local control and political independence. We have not been convinced by the arguments about how the new services will function in practice and we have serious doubts about the outline business case and the estimated savings.

Perhaps the most disappointing aspect of the process has been the missed opportunity. When the Government announced its initial consultation last year, it did so proclaiming that it went into it with an open mind. In the consultation, a clear majority of respondents were not in favour of a single national service. Indeed, ACPOS's submission stated that a single police force will affect front-line delivery and will increase the risk of a fall in performance, which, it noted, might lead to an increase in crime and more victims. However, the Government still declared that it was persuaded that a single service is the right option. Unfortunately, that means that, rather than being presented with a golden opportunity to modernise our emergency services, we are being pushed towards a centralised and politicised future that will ultimately be to the detriment of local services across the country.

I have only a little time and there is much to cover, so I will jump straight into some of the

highlights, if we can call them that, of the evidence that the committee heard at stage 1.

First, on cost, many of the Government's arguments in favour of a single service have been made on the grounds of the efficiency savings that will be made, but the picture painted by the experts has been far less clear. For example, the Society of Local Authority Chief Executives and Senior Managers states that:

"The business case is deficient in many respects. It is not clear how the proposed reform will improve outcomes that are already very impressive ... The claimed efficiency savings ... rest upon some questionable assumptions".

ACPOS, the Chief Fire Officers Association Scotland and the Scottish Police Federation all agree to a large extent that there is no detail in the business case, and the Government has introduced no evidence that allows us to say with any confidence what, if any, savings the single services will make. Calum Steele of the SPF summed it up very well, telling the Finance Committee:

"I very much doubt that anyone could know whether the service would be cheaper or, indeed, more expensive in the future. It is just finger in the air stuff."

Worse, the Government is so determined to make those as yet unsubstantiated savings within its accelerated timescale that it is happy to put cost cutting ahead of positive sustainable reform. ACPOS's Chief Constable Smith, the lead on preparatory work for the bill, summed it up, saying:

"The danger now is that we will be so focused on making cuts in financial budgets for next year and the following one that we do not get into what the exercise should be about, which is developing the best model of policing for the benefit of the people of Scotland."—[*Official Report, Finance Committee*, 22 February 2012; c 669.]

The Government's haste to push through these politically motivated reforms and to justify them with an unrealistic timetable of savings is putting the future of Scotland's police and fire services at risk. Not content with putting our emergency services at risk with an unrealistic timetable, the devil is in the detail of the Government's plans.

One of the key strengths of Scotland's policing is and has long been the fact that it is local. It is largely funded by local councils, managed by local officers and officials, accountable to local people and responsive to local needs. The simple fact is that no matter how the Government might try to argue that local ties will be retained, that strength will be lost under a single force.

**John Finnie:** I gave the example of Orkney, where the arrangements are made in Inverness rather than Kirkwall. Surely the member must concede that the proposals for having a local commander who is answerable to a local committee is an enhancement of local democracy.

**Alison McInnes:** I do not concede that at all. As we have heard, there was a great deal of discussion in the committee about the tension between national and local priorities. Nothing in the bill makes it clear how local priorities will come to bear.

Indeed, we get the best out of our fire services for the same reason. Managed at a local level, they are far better placed to react to local needs, to prioritise and to adapt. A centrally run service simply cannot hope to work as well for Ellon as it does for Edinburgh.

Allied to that is the concern raised by many about the future of retained fire stations under the new service. Such stations are absolutely vital for much of rural Scotland—Grampian, for example, has 33 part-time and only three full-time fire stations—but the Government cannot yet guarantee that retained stations will not be closed when the new service comes in.

In fact, many have highlighted a real concern in that regard. With funding coming directly from Government and controlled by a Government-appointed board and chief officer, will the new service not find itself subject to one of Alex Salmond's favourite mantras: "He who pays the piper calls the tune"? Will a centrally based fire service recognise the value of retained stations and make their continued funding a priority? As COSLA put it,

"It is all very well saying that they must have"

a local area plan agreed

"but, if the instructions from on high do not fit into that, what do the local commanders respond to? Do they respond to the local authority agreement or the edict from on high?"—[*Official Report, Local Government and Regeneration Committee*, 21 February 2012; c 633.]

**The Minister for Community Safety and Legal Affairs (Roseanna Cunningham):** Is the member seriously suggesting that, in areas such as mine where the vast majority of fire services are delivered through retained fire stations, someone somewhere is going to say that that will not continue to happen? What an absurd suggestion.

**Alison McInnes:** I have been asking the minister for such assurances for a long time now and have been consistently batted back with the response that it is an operational matter for the new service. If she wants to give me a guarantee that fire stations will not be closed, I will accept it gratefully.

Of course, all of this leads to the issue of political interference. The Association of Scottish Police Superintendents, Reform Scotland, ACPOS, the Scottish police authorities conveners forum and the Auditor General for Scotland have

all questioned the power of direction in the bill and how it fits with the operational independence that we should be holding at the heart of our police service.

I recognise that the will of the chamber is such that, despite our objections, the bill will progress to stage 2, when we intend to lodge amendments to rectify some of its worst aspects. However, for now, we cannot support the Government's mistaken plans for the future of our police and fire services.

10:47

**George Adam (Paisley) (SNP):** I welcome the committee's report. Like Christine Grahame, I will start by asking why we need a single service. Unlike Alison McInnes, it seems, I feel that we have a great opportunity to modernise and make a generational change in these vital services. Although I agree with John Finnie that we find ourselves in this position partly because of the Westminster cuts, I have to say that it is often when people are faced with the biggest challenges that they get the best returns.

Every other western European country has a single police force. Although Finland introduced the regional model that some have advocated for Scotland, it returned to the national model years later. At this point, I must welcome the cabinet secretary's commitment to maintain the 1,000 extra police officers, because they are particularly valued at a local level. Indeed, that very factor, which has been mentioned quite a lot this morning, will become more important as we move on with this debate.

A lot has changed since 1975, when the current structure was introduced. I was only six years old and, as members will see, I have changed slightly since then. Christine Grahame mentioned some of the equipment that was used in those days. As a member of the Strathclyde fire and rescue board, I was invited to Paisley's festival of fire and recognised a fire engine from the late 1960s that was being used when I was a small child. The fact that it had a wooden frame shows how much the equipment has changed since that time.

We need flexibility in the deployment of resources; after all, where organisations can work together and make a difference, such resources can be deployed and shared across the country. For example, Strathclyde Police's helicopter is valued by just about every other police force and there is a lot of debate and argument over who gets to use it. Strathclyde fire and rescue board had many debates about aerial rescue pumps, which basically bring together two different bits of machinery and can help to cut costs. I do not want to bring up any old debates that I had with Mr

Malik on the fire and rescue board, but the board itself discussed whether those pumps represented the right way forward. Strathclyde Fire and Rescue had aerial rescue pumps, whereas Highlands and Islands Fire and Rescue Service had had them but did not order any more. The proposed reforms might give us a uniformity of service. The scale of the new service will give us much greater opportunity to make such purchases.

As a member of Strathclyde fire and rescue board, I welcomed the focus on the local, which the cabinet secretary talked about, because scrutiny and local accountability are extremely important. I have seen the value of that. Even at a Strathclyde level, there could have been more devolution. I welcome the part of the bill that provides for that. I suggest that, in my area, Renfrewshire Council, Inverclyde Council and East Renfrewshire Council, which have come together on the civil contingencies group, could work together on a joint police and fire board. No one else has discussed the idea and, as I am no longer a councillor, it is nothing to do with me, but it might be a good way of providing access to officers.

It is important that fire and rescue services continue to be involved in community planning. In Renfrewshire, we have ensured that they have been involved in their local area committees and various other council committees. That is something that the public want. There is a huge difference between how the police were perceived locally in Strathclyde in 1974 or 1975 and how they are perceived now. There is a difference in the way in which they talk. I remember that, when I was convener of Paisley South local area committee, the most exciting part of the evening was when the fire and rescue service and the police reported back—that was the part of the meeting that the public valued and wanted to have some form of interaction with. There needs to be more flexibility and engagement on how services are delivered throughout Scotland. We need to ensure that we take the public with us and that there is local accountability.

We have an opportunity to change for the better the present valued services. We have the potential to create dynamic organisations that can deliver for the whole country. It is important that we discuss the bill's proposals and arrive at a logical and workable conclusion. I welcome the committee's report and look forward to the continuation of the debate.

**The Deputy Presiding Officer:** We have used up almost all of the extra time that we had, so I must now confine members to their allotted time.

I call Roderick Campbell—you have six minutes.

10:52

**Roderick Campbell (North East Fife) (SNP):**

As others have indicated, with a few exceptions, the argument that there should be a national force has been accepted. While Unison and the Lib Dems think that it is wrong in principle, others such as Reform Scotland think that the Scottish Government has not provided sufficient justification for running from the centre a service that, historically, has been delivered at a local level. Reform Scotland also argued—unconvincingly, I would say—that each local authority should be represented on the national police authority, regardless of whether it is the size of Clackmannanshire Council or Glasgow City Council, because that reflects the current structure of local authorities.

Unison's concerns are, understandably, about the protection of jobs. In that context, even if we accept ACPOS's figure that there will be 2,000 redundancies, those are to be achieved cumulatively by 2015-16. We are talking about voluntary redundancies being achieved over a period rather than all at once. Of course that will not be an easy task, but it is important to reflect on the evidence of Stephen Curran of Strathclyde police authority, who said that the ratio of police to support staff was 4:1 in Strathclyde, in contrast to Lothian and Borders, where it is closer to 60:40. Therefore, we face different problems in achieving voluntary redundancy in different parts of Scotland.

I am reassured by the comments of Chief Constable Smith on the issue, and Calum Steele's remark that

"We must look at the jobs that we do and ask ourselves not who does them, but whether they need doing in the first place"—[*Official Report, Justice Committee*, 28 February 2012; c 1009.]

is highly pertinent.

As for the Lib Dems, despite the fact that they highlighted the issue at last year's Holyrood elections and this year's local elections, there is scant evidence that there is concern about it on the doorstep; there is a much greater concern about maintaining the number of police on the beat.

**Alison McInnes:** I agree that people are not concerned about the issue at the moment, but it might be the case that people are concerned about it once the horse has bolted and they see their local services being eroded.

**Roderick Campbell:** Time will give us the answer.

As the report makes clear, the committee was not hung up on the number of people who should be on the board. "Quality over quantity" must be

the mantra. As has already been said, even though the committee has not reached a view on what form parliamentary scrutiny of the police and fire services should take, we saw the need for such scrutiny. We clearly need a strong democratic element to policing and, like Humza Yousaf, I believe that we need to take on board the Auditor General's comments about the need for open, participative and transparent oversight.

The FBU favours the involvement of the Justice Committee. Although I accept that that would place a considerable strain on the existing structure, my inclination is more towards that approach or to a tweaking of the committee structure, rather than some form of police commission. However, as Graeme Pearson indicated, we must listen to all the arguments. Clearly, there is a need for post-legislative scrutiny of the move to single services. I would have thought that a timescale of at least five years would be sensible for drawing informed conclusions.

There was a lot of discussion about the interaction between the national police board and local commanders and local authorities. The results of the pathfinder project may impact on the issue, but it is clear that some flexibility in local arrangements is required. That need for flexibility must be right. Local police plans will be different—that is already the position between the Borders and Lothian, as was highlighted in the evidence to the committee.

In relation to the question of resources for local commanders, we need more clarity about what that might mean in practice.

There was a difference of view among the witnesses about forensic services. Some, such as HM inspectorate of constabulary, argued that the chief constable should have clear operational direction over forensic crime scene examination. That view was supported by most senior police representatives. Against that view was Andrea Quinn of the SPSA, who was an active supporter of what is inelegantly described as the "sterile corridor". In the SPSA's written submission, that arrangement was described more elegantly as "clear demonstrable impartiality". However, the important points to stress are that Ms Quinn accepted that the chief constable and his command team should decide what crime scenes the SPSA should go to and when. Although senior police officers criticised the arrangement that has prevailed since 2007, neither Chief Constable Smith nor Chief Superintendent O'Connor, in response to questioning, was able to point to any examples where the arrangement had been detrimental to the interests of justice. I am therefore not persuaded that we should change the position outlined in the bill to make the forensic

service directly accountable to the Scottish police authority and not to the chief constable.

We all know that, under the Human Rights Act 1998, public authorities must act in a way that is compatible with the European convention on human rights. We are also aware how the related provisions affect the Scottish Parliament. However, there is a body of opinion, represented by the Scottish Human Rights Commission and Amnesty International, that believes that human rights considerations ought to be on the face of the bill. In that respect, I must declare an interest as a member of Amnesty International, but I share the view that there is a lot to be said for having explicit recognition of human rights in the bill and certainly for embedding that in any appropriate code of ethics and training.

Although we may not quite have the social and cultural history of Northern Ireland, it would be good if we, too, could ensure that human rights are at the core of policing. I therefore welcome the Scottish Government's response that it will consider any appropriate amendments in that respect.

10:58

**Hanzala Malik (Glasgow) (Lab):** I am keen to ensure that the quality of service provided by the fire service and the police force locally in some areas is not only retained but rolled out across Scotland. Some fire brigades and police services have achieved very high-quality standards that I would not want to see eroded by some of the other services that perhaps have been lagging behind and are trying to catch up to that standard. It is important that the local authorities that have made huge investments and have been prudent and professional do not feel that they have lost a quality of service that has taken a long time to build. It is important that confidence remains in place.

I have had discussions with various people and I had the opportunity to sit on the Strathclyde police authority and the Strathclyde fire and rescue board. The amount of work and the diversity in the services is amazing. Policing is not only about attending to a fight in a back court or chasing a robber in the street. It is about everything from community safety to liaison and supporting communities.

Our officers are overstretched as it is. When an officer comes on duty, he or she has almost back-to-back inquiries. Because of the huge challenges that they face, officers do not really have the opportunity to mix with communities that they had in the past. However, the job is one that most officers enjoy and they do it well under difficult circumstances. Obviously, our job is to ensure that

we protect that historic engagement with communities. I learned amazing things about what Strathclyde Fire and Rescue does for communities while I was on the board: fire alarms, community safety—things that were not done in the past. Those things have helped to save many lives. The credit for that goes to our officers in the field. That is why it is imperative that we continue to build on the standards that we have achieved historically in Scotland. I am pleased to say that I genuinely believe that our services are envied around the world because of those standards and the level of quality that we provide.

We have an opportunity to ensure that we can share that good practice by selling quality training to people around the world. We can do that by ensuring that our training facilities are in place. Strathclyde Fire and Rescue is building a purpose-built centre for training its own officers. That facility could also be used to deliver services to others. Tulliallan could also be used—it is a place that delivers the finest training opportunities. It has done so for people from overseas in the past. I want to see that service retained and built on so that our officers can share good practice around the world. That would not only support us here on a national level but promote our badge overseas as being a country that engages with people in a positive way. We used to do it, but that role changed over time and we need to rekindle that effort.

I also believe that there will be opportunities for our young people when we have a national service—we can be more focused on what we deliver for them. There is a lot of youth unemployment and we need to try to change that trend.

The Government promised another 1,000 officers on the beat. It has been suggested that most of them are working in back offices—yes, that happens, but it is not our job to micromanage. Our job in the Parliament is to ensure that we put the mechanism in place to deliver that service. It is up to the senior officers to ensure that they improve that service. If there are shortcomings, it is our job to support those officers so that they can overcome those difficulties. We need to be positive and focused and, when people bring shortcomings to our attention, we should deal with them. We should not be ashamed of doing that.

I wonder whether there is also an opportunity to enhance the service in terms of our ambulance services. Currently, the Scottish Ambulance Service board shares its medical director with the NHS 24 board. Why are we not doing something similar elsewhere? Is there any mileage in the proposed Scottish fire service being amalgamated and merged with the Scottish Ambulance Service,

or in the Scottish Ambulance Service merging with NHS 24?

At the end of the day, we are talking about our uniformed services and about services to our communities. We are talking about focusing our resources to ensure that we have the best of services on the street, so that our communities benefit from the most efficient services possible. Let us not restrict ourselves to the fire and police services—we should also examine the Ambulance Service. That would enhance the quality of the service that we already have. It would also allow us the opportunity to look at the Ambulance Service from a different perspective and to see what mileage there is to enhance that service's quality as well, because that service is also overstretched. I believe that there is a job to be done there as well. I am keen to hear whether the minister will comment on that—

**The Deputy Presiding Officer:** You must close now, please.

**Hanzala Malik:** Finally, if I am allowed to, I was wondering—

**The Deputy Presiding Officer:** You must close now, please.

**Hanzala Malik:** Thank you.

11:04

**Colin Keir (Edinburgh Western) (SNP):** I am delighted to take part in the debate. My Justice Committee colleagues and I have heard from some of the country's most eminent fire and rescue service and police officers. I thank my colleagues for the tone in which they discussed the issue and welcome the genuine support for the bill's principles.

The reforms of these two services are being made not because of any major structural deficiencies but because of the Westminster Government's swingeing cuts to the Scottish budget. I agree with George Adam that the necessity for change gives the Parliament the chance to modernise both services and ensure that the services are suitable as we move further into the 21st century. I am sure that most people—even Alison McInnes—accept the principle of change. After all, as Christine Grahame and Graeme Pearson have pointed out, even the Bow Street runner and local fire brigade models of the past had to change to keep up with the times.

As various speakers have made clear, the proposed changes centre on the governance of both services, how representative the national boards are and how accountable services are at a local level. There is also the matter of parliamentary scrutiny. I completely agree with those who have called for the chief constable, the

chief fire officer and other members of the service to be appointed early. It is vital that the posts are filled as soon as possible and I am delighted that the recruitment process has been brought forward.

On the composition of the national governance boards, I am content with the idea that a majority of positions should be held by those with professional expertise. I suspect that the number of board members should be more than the 11 that the committee has suggested should be the minimum. There should, of course, be councillor representation, but it is simply not practical to follow Reform Scotland's suggestion and include a councillor from every authority. The board would end up looking like a soviet-style politburo, which I do not think would be terribly effective.

It was suggested that the councillors should have some experience. However, as Chief Constable Kevin Smith of ACPOS pointed out to the Justice Committee, it is unlikely that current members of police boards across the country have been vetted to a degree that has allowed them to scrutinise sensitive aspects of policing. How much training will be required to ensure that elected members are not out of place on what will be a professional body?

There is also the question of how much time a councillor will be expected to give to the governance board if the workload is as heavy as has been suggested. How will the amount of extra time spent dealing with board issues, particularly in the early days when training will be a major factor, impact on elected members' responsibilities to their constituents and council?

I believe that the bill's proposals hold no dangers for local planning and accountability. As the cabinet secretary has said, the senior officers of both services will still be in dialogue with local authorities and communities through local commanders.

Now that I have stood down as a member of the City of Edinburgh Council, I have to say that I have often wondered just how effective police boards, in particular, have been because of the lack of vetting that I mentioned earlier. I would not want any elected member from any chamber to be involved in any operational interference and believe that local accountability could be streamlined without any detrimental effect on policing and fire and rescue service provision. Community planning should be just what it says.

I am glad that the committee decided not to recommend a uniform method of local accountability. Every area is different and one model might not fit all. We will need to take into consideration the results of the 16 pathfinder pilots once they are known.

With regard to the fire and rescue service, I was struck during the committee's evidence-taking sessions by the closeness of the views of senior officers and the FBU on many of the issues under discussion. There appears to be a desire for reform, particularly in the areas of operational clarity and expectations of the service. Given certain high-profile incidents relating to local decision making on rescue, that kind of clarity must be welcomed.

In evidence, John Duffy of the FBU suggested that local fire boards had a problem similar to that which I highlighted earlier in relation to police boards. He said:

"A councillor's understanding of what they are expected to scrutinise the chief on has been derived from information given to them by that chief. That fails straight away."—*[Official Report, Justice Committee, 13 March 2012; c 1154.]*

I suggest that the present set-up for boards in both services needs to be reformed.

During the Justice Committee's deliberations, it was fascinating to listen to the different views of those who were good enough to give evidence. I was particularly taken by the evidence from Sir Hugh Orde on the problems of setting up the Police Service of Northern Ireland and how he was held to account by the local authority, as my colleague Humza Yousaf mentioned. Although I do not believe that model to be totally right for Scotland, his evidence shows that problems can be overcome if the will is there. I encourage the Scottish Government to continue to discuss with Westminster the problems in relation to VAT, which do not exist in Northern Ireland.

After attending a conference some months ago at which representatives from many nations discussed the merits of a single national police service, I am convinced that the Scottish Government's actions, which were introduced as a result of financial reality, are the right way forward, because they work in the real world. The desire to reform both services is strong. I am delighted to have been a member of the Justice Committee that produced the stage 1 report.

11:11

**John Lamont (Ettrick, Roxburgh and Berwickshire) (Con):** As other members have done, I will focus on the bill's proposals for a single police force for Scotland. The proposals for the fire service are less contentious and appear to be a sensible efficiency measure. However, any restructuring of the fire service must involve the retention of a visible and effective firefighting presence. I hope that, by making savings, the bill will protect front-line fire services.

Crime remains a real concern for many people in Scotland. Too many people live in communities that are blighted by crime. The challenge is to step up the fight against lawlessness, antisocial behaviour and violence so that our citizens can live free from crime and the fear of crime. The question that we must ask is: how can we maintain the service that the police provide within the current financial parameters?

When public finances are under such extreme pressure, it is appropriate that we look to cut duplication and unnecessary costs across Scotland's police forces to ensure that we keep police officers on the beat in our communities and not behind desks. However, making those savings will involve difficult decisions. With 87 per cent of the policing budget going on staffing costs and with large savings having to be found, it is clear that there is little scope for minor efficiency savings or tinkering round the edges.

The Scottish Conservatives therefore agree that it is appropriate to review the structure of fire and police services in Scotland. I certainly will not defend the historical police force structures if that means sacrificing more police officers who could fight crime on the streets. However, our support for the bill has been conditional on three factors: that local accountability is protected; that real efficiency savings are delivered; and that front-line police numbers are protected. The Scottish Conservatives have real concerns that those conditions will not be met by the bill as it stands.

On local accountability, any restructuring must ensure that police services are accountable to the people whom they serve. We need a system that involves local residents, so that communities have a direct relationship with the police who serve them. It would be regrettable if the bill simply amounts to yet another attempt by the Scottish Government to grab power, remove local accountability and centralise services. At least there is a recognition of the importance of local accountability through the proposal in the bill to create, for each local authority, a local commander who is responsible for the delivery of local policing plans. However, we, like the Justice Committee, have serious concerns that that does not go far enough to counteract or balance the centralised single police force.

We argue that a better way of achieving local accountability would be to establish directly elected local police commissioners, which is a policy that the Scottish Conservatives have called for repeatedly. Under that policy, operational matters would remain matters for the police, but the police would be accountable to those locally elected police commissioners. Voters and residents would have a direct link to their commissioner and would hold them to account for

local police performance. The UK Government is introducing elected commissioners in England. Will the cabinet secretary consider improving the bill by including that policy to enhance local accountability?

The second and third conditions for the Scottish Conservatives' support for the bill are that efficiency savings are delivered and—crucially—that they are delivered alongside the protection of front-line services. When the cabinet secretary made a statement to Parliament on police and fire reform back in September 2011, he said that a single police force could achieve £130 million of savings within a year and a total saving of £1.7 billion over 15 years. I asked him:

“What systems does the Government plan to put in place to ensure that those savings are delivered?”

His reply was remarkably vague. He said:

“Those matters will be dealt with.”—[*Official Report*, 8 September 2011; c 1562.]

The Government continues to provide little detail on how it plans to ensure that the oft-quoted savings are delivered. During the Justice Committee's consideration of the bill, a number of witnesses expressed concerns—we have heard them repeated today—about how the savings would or could be delivered.

**Humza Yousaf:** John Lamont's colleague David McLetchie mentioned that the single police force was in the Conservatives' manifesto. On what projected savings was that based?

**John Lamont:** We came out in favour of a single police force before the SNP did. We believe that a single police force will provide not only efficiency savings but a better service to the people of Scotland. It is the Government that argues for the changes because they would make savings. That is the SNP's principal argument for pursuing the reform. What are the savings and how will they be delivered? The SNP needs to produce a detailed business plan and the costed reasoning for how it will deliver the savings, not just for us here in the Parliament but for the taxpayer, who expects the savings to be delivered.

As we heard from my colleague David McLetchie, the savings that the Scottish Government has set out are based on simply an outline business plan rather than a full business case. I repeat the Justice Committee's call for a full business case to be published as soon as possible, so that the Parliament and the wider Scottish public can understand better the savings and how they will be delivered. That such a case has not been produced ahead of the stage 1 debate is a serious oversight by the Scottish Government.

We believe that reform is necessary and that we should not be tied to historical structures that are no longer relevant to policing in modern Scotland. However, the Scottish Government must do more to persuade us that the bill as it stands will deliver local accountability and savings for the Scottish taxpayer.

11:17

**Lewis Macdonald:** The debate has been useful in highlighting the broad support for the bill's general principles and in demonstrating the wide range of concerns that still need to be fully addressed. Graeme Pearson correctly stressed that the move from local to national police and fire services is important because it is a fundamental change in their character and not simply a modernising reform of the kind that might happen every 30 or 40 years. Therefore, it is all the more important that the Parliament and the Government get the detail of the change right.

Because the changes are profoundly significant, ministers need to think carefully—even at this stage—about the process and timing of change. They have conceded that, as was the view of many who gave evidence at stage 1, the establishment of single services on 1 April 2013 will not of itself create fully integrated, fully operational and fully effective services. There will be a transitional process—the question is simply about the point at which powers should be vested entirely in single national services rather than in the existing services.

David McLetchie was right to question why we have reached the end of stage 1 with only outline business cases, which have been subjected to significant criticism and which propose levels of savings that, as some have said, might not be achieved.

The VAT issue was not resolved before the bill was introduced. The fear is that the failure to resolve it will cancel out some of the savings that are meant to be made. Christine Grahame and John Finnie asked how the VAT issue could have been resolved. Of course, they were both signatories to the Justice Committee's report, which called on ministers to look at giving local authorities the capacity to contribute to police and fire budgets.

On that basis, I commend to them a range of evidence on that question from witnesses at stage 1. Unison, which represents many of the civilian staff who will be affected, and COSLA, which represents local authorities and is the current third party in the tripartite arrangements, have made the case for structuring single services within the local government family. Jim Gallagher, a former head

of the Justice Department, gave a similar view in his written evidence.

Of course, to do that might dilute the historic change to which Graeme Pearson rightly referred, and ministers might reasonably argue that part of their purpose is to break the link with local government at the national level, but that is not what ministers have said and, as I understand it, not what they intend. Kenny MacAskill has been clear that the authority boards for each service should include elected members from local government and, during stage 1, a number of people have argued that more councillors should be involved at that level. It is not clear to me why ministers appear not to have worked through options for maintaining local government participation at the national level in the funding of the services, which might have addressed the VAT issue that ministers have not been able to resolve thus far. Given the fact that the price of failing to resolve it might be more than £20 million a year, it will be disappointing if ministers or members of their party say that it is for others to flesh out how that should be done. The Government is in its second term of office; surely fleshing out solutions to such problems is properly a matter for ministers.

The other reason for not turning away lightly from the input of local government to single services is the issue of accountability, which has been raised by a number of members. It was highlighted by Graeme Pearson, by Jenny Marra on behalf of the committee, and by other members from all parties. The power of ministers to appoint, direct and require removal, in the interests of efficiency, concentrates unprecedented authority over policing in the hands of central Government. As Roderick Campbell said, it is essential that the commitment of elected politicians to human rights, transparency and accountability is anchored in statute and underpinned by the bill so that single services are provided without an undue concentration of power at the centre.

A number of speakers emphasised the Justice Committee's recommendations on local accountability, which I support. The case for allowing local authorities, which are being encouraged to take a direct role in the preparation of local policing and fire plans, to know what resources are available to the police and fire services in their area seems eminently sensible. I do not really understand why the Government has not accepted that recommendation in full. No doubt the minister will comment on that during her closing speech.

Graeme Pearson was right to say that this is not just about what resources are available on 1 April next year. I suspect that local authorities will be quite interested in taking on the responsibility to lay out in front of joint boards what resource was

available to them at the beginning of the process as well as what will be available at the end of it.

Graeme Pearson also made a clear case for a parliamentary commission, and I was interested to hear some of the responses to that suggestion. Christine Grahame thought that there might not be time to do it properly, and Humza Yousaf suggested that we might not be able to afford it in such financially tough times. Perhaps those reservations strengthen the case for ministers to think carefully about the phasing of the change. I also dispute the suggestion that scrutiny should be limited by additional cost. If the Scottish Parliament can rightly support scrutiny of the Scotland Bill and of other UK legislation, and support commissions in other fields—all of which are appropriate—surely it can support the best available arrangements for scrutiny of a single national police force, which otherwise will be entirely under ministerial control.

I was interested to note that Roseanna Cunningham seemed to assure Alison McInnes that no fire stations would be closed as a result of the bill. I have no doubt that that is a commitment to which she will be held. If the minister wants to intervene on that point, she is very welcome to do so, or she could comment on it at the end of the debate. It would be in no one's interests if the commitment that she gave was less than clear to all concerned.

I am also interested to hear the minister's views on Christine Grahame's comments about the wider rescue functions of the fire and rescue service, and on the Fire Brigades Union's views on defining those functions in statute. Ministers, along with many members, met the FBU yesterday.

**Christine Grahame:** Does the member accept that the committee did not want the wider definition or guidance to be put in primary legislation as that would have been too constricting?

**Lewis Macdonald:** I absolutely accept Christine Grahame's point of fact and the reasons that lie behind it. I am simply asking for ministers' response to the FBU's position and their explanation as to why they have chosen not to go down that road. What they have to say might well be along the lines that Christine Grahame has indicated, but I will be very interested to hear it.

Finally, I turn to an issue that a number of members have denied is the single biggest problem with the current process: the loss of civilian staff from the police service in particular and its inevitable consequence—police officers doing civilian jobs. It is not adequate simply to argue that, just because chief constables have given an assurance that that is not happening, it is not happening. Such evidence must be subjected

to greater scrutiny. When trade unions that represent staff and others tell us that the problems are real, we have to take what they say seriously not because we want to protect the positions of the civilian staff—not the warranted officers or firefighters—who do a fantastic job in those services but because we do not want the Scottish Government's pledge to maintain police numbers to result in more back-room bobbies rather than police officers out on the beat.

I am keen to hear the minister's comments on those critical issues and look forward to stage 2 and further debate on many of the issues that we have discussed.

11:26

**The Minister for Community Safety and Legal Affairs (Roseanna Cunningham):** I am grateful to all members for their speeches and their participation in the consideration of what is a very significant bill. We will reflect on all their contributions as we take the bill forward. After all, this is just stage 1 of the process and, as members know, a lot of discussion will take place from here on in.

Nevertheless, I think that we all agree on the need to reform, safeguard and improve police and fire and rescue services. I hope that even Alison McInnes will at least accept that, because the services are vital to the people of Scotland. Reform also offers a unique opportunity to sustain and strengthen Scotland's services in the face of Westminster cuts. As members recognise, the services and the success of reform would be nothing without the skills and talents of all those who work in whatever capacity in our services. Indeed, that is why they will transfer on the same terms and conditions.

We and the services have been examining the issue of single services for more than two years now. A wealth of evidence demonstrates that single services deliver the most benefits. The services and stakeholders accept that and are working constructively with us to deliver that reform.

Understandably, the debate has centred principally on the police. However, I am also responsible for fire and rescue services and I hope that members will indulge me for a few minutes as I say something about them. It has become something of a joke that the new Scottish fire and rescue service should simply be called "and fire" because in the discussions on the bill everyone has talked about the police—"oh, and fire". We need to emphasise how vital fire and rescue services are to every community in Scotland.

For a considerable time now, a great deal of work has been going on with different levels of the

eight fire and rescue services. Some members might be surprised to learn that the FBU has been included in every stage of the reform process, and I thank the union for its consistent and constructive involvement. Not all the issues that the FBU has, or that we have, are completely resolved, but it is important that we are able to continue those constructive conversations. As we do that, we are resolving some of the issues.

One such issue is about the potential for FBU representation on the new board, which was an issue that I wanted to raise. We have been working closely with chief fire officers, the FBU and others to ensure that the new single fire and rescue service provides the best service to all communities. That will require a partnership to underpin the new service. As the service develops, I want the board and management to work constructively with the trade unions and the employees whom they represent. More to the point, we are exploring ways in which the board can ensure that it has direct input from the employee side. That is an on-going conversation.

**Jenny Marra:** As a result of the discussions with the FBU, is the minister interested in and committed to providing a statutory definition of the rescue services that have evolved in the past few years?

**Roseanna Cunningham:** I appreciate Jenny Marra's point, but it is on a slightly different issue and I want to finish my point about representation, on which points still need to be discussed and resolved, on the union side and on our side.

I come to the issue of the fire and rescue functions, which Jenny Marra asked about. The current functions were debated and agreed by Parliament fairly recently. At present, we do not consider there to be any difference between the functions that are covered in primary legislation and those in the Fire (Additional Function) (Scotland) Order 2005, so we are not convinced that restating them in one place would be of any benefit. Any need for greater clarity is best dealt with through the fire and rescue framework, which sets out the overall strategic priorities and objectives for the service. Lewis Macdonald referred to the framework, which is a vehicle that can be amended more easily and rapidly than primary legislation. That view is shared by the chief inspector of fire and rescue authorities, although it is fair to say that the issue is still under discussion. Indeed, I talked to the FBU about the issue and other matters at lunch time yesterday and last night.

The primary function of the boards is to govern the new services and to hold the chief officers to account. We agree whole-heartedly with the Justice Committee that the composition of the boards should not be prescribed in legislation.

However, we take the view that the boards should reflect all relevant experience, including that of local authorities. We want to ensure that that experience is represented at board level. We have heard the views of stakeholders and members on the size of the boards, but we have yet to take a final decision on that—we will do so after this debate. We understand the arguments about smaller versus larger. We all want to achieve an optimum number that provides the best way for the boards to develop.

I will mention some non-bill issues that have been raised. One of those is to do with resources and savings, which I say is a non-bill issue because it is not covered in the detail of the bill. We believe that the budgets for police and fire provide sufficient funding for the services to undertake their functions fully. Future budgets will be agreed following future negotiations on service requirements. The single police and fire and rescue services will, together, deliver estimated savings of £1.7 billion over 15 years, with annual recurring cash savings in excess of £130 million expected from 2016-17.

The CFOA is certain that savings can be made by removing duplication. ACPOS has assured us that it is committed to implementing the police reform programme within budget. Of course, budgets are an on-going issue to which all Governments at any time must have serious regard. The full business cases for the new police and fire and rescue services will influence and determine the detailed design of the new services, so their production is a matter for those services and not for the Scottish Government, although we expect them to be completed as soon as possible.

**Lewis Macdonald:** Does the minister not accept that the ability of Parliament to properly scrutinise the legislation would be greater if the Government produced full business cases before the conclusion of the legislative process?

**Roseanna Cunningham:** As Lewis Macdonald knows perfectly well, delivering legislation and delivering budgets are not the same. We wanted to involve people in the whole process and not simply to provide a *fait accompli*. That approach goes to the heart of how we have tried to manage the process all along.

On VAT, the purpose of undertaking the reform is to protect front-line services against Westminster budget cuts. It would be a travesty if some of the potential benefits of that reform were lost to the Exchequer in VAT, and officials continue to explore the options with the Treasury.

I reassure Lewis Macdonald that the outline business cases prepared by the Scottish Government assumed the worst-case scenario that VAT could not be recovered. If the new

services are able to recover VAT, the annual savings deliverable from reform from 2016-17 would be £157 million, rather than £131 million. That is an outcome that we all wish to see.

I will deal with some of the specific issues that members raised. Lewis Macdonald talked about the timing of reform. We agree that the 1 April 2013 timescale is a challenge—the Cabinet Secretary for Justice and I have said that all along—but we wanted to reduce the period of uncertainty, so a judgment had to be made. However, we accept that work will be on-going after 1 April 2013.

Graeme Pearson made a very strong case for a particular scrutiny position that he wishes to see brought in. Indeed, I heard about that position in detail at last night's reception. When he was outlining his case, I do not know whether he was aware that the issue is one for the Parliament to consider rather than the Government. I noticed the Presiding Officer carefully attending to the detail of his proposal, so who knows what conversations may yet take place on the back of his thoughtful contribution?

Alison McInnes's was the one discordant voice in the debate. It is unfortunate that the Liberal Democrats have not yet taken the lesson that the electorate continues to deal out to them, particularly in relation to this issue. There are quite clear arrangements to enable local authorities to shape local service delivery, and it will be for local authorities to make the decisions on how to do that. That, in a sense, is also a response to some of the comments made by Hanzala Malik. We will see a variety of different models emerging. Local authorities are entitled to make decisions about how best to deliver local scrutiny and accountability, and it is only a matter of time before we will be able to ascertain which model turns out to be the most useful.

It is worth reiterating that what is being shaped in Scotland is a better, more streamlined and more efficient future for both services.

**Lewis Macdonald:** Will the member give way?

**Roseanna Cunningham:** I will carry on, as I am in my last minute.

I ask members to compare the position in Scotland with that south of the border. In England, the police are in uproar over the Winsor review, which is not being implemented in Scotland—20,000 police officers are out demonstrating—and there is effectively piecemeal privatisation of fire services. We have not wanted to take, and we will not take, either course of action in Scotland. What we are doing is in stark contrast to what is happening south of the border.

I thank every member for their contributions. A lot of points have been raised, but not all have been dealt with and we promise to follow-up on the specifics. Reform is vital if we are to protect and improve on the services that our communities receive. The bill provides the framework for that, and I ask members to support it.

## Scottish Executive Question Time

### General Questions

11:40

#### Strathclyde Partnership for Transport (Meetings)

**1. Duncan McNeil (Greenock and Inverclyde) (Lab):** To ask the Scottish Government when the Minister for Housing and Transport last met the chief executive of Strathclyde partnership for transport. (S4O-00969)

**The Minister for Housing and Transport (Keith Brown):** I last met the chief executive of Strathclyde partnership for transport, Gordon MacLennan, on 13 March 2012.

**Duncan McNeil:** I hope that the minister took the time to discuss the Gourock to Kilcreggan ferry crossing in that meeting. I acknowledge his responses to my correspondence on the issue and the time that he gave Jackie Baillie and me in a meeting about it.

The minister will be aware that the troubles that the current ferry crossing faces were entirely predictable and that the position is now becoming farcical. SPT's response to passengers' concerns is completely unacceptable, and it has led some to conclude that SPT is not merely seeking efficiencies for the public purse but is operating a hidden agenda to end the service altogether and blame the passengers for that outcome.

In the minister's correspondence of 23 April, he discussed the future responsibility of current providers of ferry services. Is it not time that he discussed seriously with SPT future responsibility for the Gourock to Kilcreggan service? Passengers who use the service have come to the conclusion that transferring responsibility away from SPT would be a very good—

**The Presiding Officer (Tricia Marwick):** I think that you have asked your question, Mr McNeil.

**Keith Brown:** Duncan McNeil has raised points with me in the meetings that I have had with him and Jackie Baillie, and I have had discussions on the matter with Stuart McMillan. I have sought to raise with SPT the legitimate concerns that Duncan McNeil has raised with me. In addition to that, Transport Scotland has remained engaged with SPT as further issues have arisen—Jackie Baillie has raised such issues with me. I am happy to raise the issues, but I have made clear the extent of my responsibility in that regard, and I think that Duncan McNeil has acknowledged that. We can raise concerns, but I cannot rerun a

procurement process that is run by another public body.

Of course, we do not currently plan to take over the service, which SPT has just tendered for. All that I can say in response to the points that Duncan McNeil raises is that I will continue to look at any further issues that he has and will ensure, as I have tried to do so far, that SPT responds timeously to the points that he raises.

**Stuart McMillan (West Scotland) (SNP):** The disruption to the Gourrock to Kilcreggan ferry service is not only affecting naval base staff; it is affecting national health service staff, who are struggling to get to work at Inverclyde royal hospital, due to the infrequency of the service. Will the minister ask Audit Scotland to investigate the tendering process, as the running of the service is clearly not delivering for passengers?

**Keith Brown:** I repeat that I cannot rerun or interfere in a procurement process that is run by another public body in the way that might be being suggested. As the body in question is a public body that disburses public funds, it will, of course, be subject to scrutiny from Audit Scotland. If the member wants Audit Scotland to look at the matter, he should properly raise it with Audit Scotland.

**Jackie Baillie (Dumbarton) (Lab):** I am grateful for the minister's on-going interest in the issue.

Since the contract was awarded, there have been numerous cancellations of service for reasons beyond our challenging weather. Initially, replacement vessels were not provided, despite that being a contractual obligation. Instead of a 10-minute crossing, the replacement bus service took around an hour and a half. There is now a replacement boat that seats 12 people instead of 50.

Aside from the unreliability of the service and the conflicting information that is given, passengers now have very little confidence in the service provision and the safety of the boat that is used. Does the minister agree that such poor standards fall below the service provider's contractual obligations to SPT? Will he continue his extremely helpful approach and once again assist Duncan McNeil and me in securing a reliable and safe service for our constituents?

**Keith Brown:** Jackie Baillie's last point is very good. We are all trying to achieve the same thing. Again, I say that I cannot jump into the contract discussions or into a dispute where it appears on the surface that a contract is not being adhered to. However, I am happy to give the assurance again that I will continue to raise issues that are raised with me. I repeat that we are all after the same thing. We all want to ensure that the service runs

regularly and reliably and according to the contract.

### **North Ayrshire Council (Meetings)**

**2. Kenneth Gibson (Cunninghame North) (SNP):** To ask the Scottish Government when it next plans to meet North Ayrshire Council and what will be discussed. (S4O-00970)

**The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney):** Ministers and officials regularly meet representatives of councils, including North Ayrshire Council, to discuss a range of issues.

**Kenneth Gibson:** Does the minister agree that it is important for the Scottish National Party Government to work closely with North Ayrshire Council to ensure the delivery of joint objectives, such as tackling unemployment, boosting the local economy and improving service delivery? Will he congratulate Councillor Willie Gibson on becoming the probable leader of North Ayrshire Council after the SNP took seats from Labour, the Tories, the Liberal Democrats and independents to become the biggest party on North Ayrshire Council last week?

**John Swinney:** I take the opportunity that is afforded by the first occasion on which I am answering questions on local authority business after the local authority elections to make it clear that the Government will maintain its constructive dialogue with all local authorities in Scotland to pursue the objectives that we all share of strengthening the Scottish economy and delivering economic recovery and the high-quality public services on which members of the public depend.

I congratulate all members who were elected to local authorities. I pay tribute to those excellent councillors who decided to stand down or who were not returned for their public service, and I commit the Government to working closely with all local authorities. I pass on through Mr Gibson my good wishes to the members who were elected to North Ayrshire Council and I look forward to working with the council leadership.

### **Asylum Seekers (Support)**

**3. Sandra White (Glasgow Kelvin) (SNP):** To ask the Scottish Government what discussions it has had since May 2007 regarding providing support for destitute asylum seekers. (S4O-00971)

**The Deputy First Minister and Cabinet Secretary for Health, Wellbeing and Cities Strategy (Nicola Sturgeon):** Supporting asylum seekers is the responsibility of the United Kingdom Border Agency and its delivery partners. However, the Scottish Government remains clear that, when asylum seekers are in Scotland, they must be welcomed and supported, and to that end we have

had regular discussions since May 2007 with agencies and delivery partners regarding the support that they provide for all asylum seekers.

**Sandra White:** The minister will be aware of the change of housing contract which, according to reports, could result in hundreds of families becoming homeless and destitute, despite UKBA assurances. That could put a huge strain on resources in Glasgow. Is the minister aware of those concerns and will she meet me to discuss the issue in more detail?

**Nicola Sturgeon:** I am, of course, aware of the situation that is arising from the change of contract arrangements for the accommodation of asylum seekers. I would be happy to meet the member to discuss the issue in more detail. As I said in my initial answer, the matter is one for the UKBA. The Scottish Government does not have responsibility for the area, but the member is right to highlight the point that, if asylum seekers are not adequately and properly supported, that often has a knock-on effect on agencies that are operating in devolved areas of responsibility. It is in no one's interests for asylum seekers and their families to be destitute and I assure the member that the Scottish Government will continue to seek assurances from the UK Government that all appropriate action will be taken in the area.

#### European Union Project Bonds

**4. Aileen McLeod (South Scotland) (SNP):** To ask the Scottish Government how European Union project bonds could be used to support infrastructure investment in Scotland. (S40-00972)

**The Cabinet Secretary for Infrastructure and Capital Investment (Alex Neil):** We are working with the Scottish Futures Trust to explore how EU project bonds could be used to support infrastructure investment in Scotland.

**Aileen McLeod:** The European Commission and the European Investment Bank are looking to stimulate private capital for investment in key EU transport, energy and digital infrastructure through the immediate setting up of a pilot phase of a Europe 2020 project bond initiative for 2012-13, which could involve €230 million being invested in five to 10 large infrastructure projects. Does the cabinet secretary agree that that initiative provides an opportunity for us to proceed with the digital connectivity agenda, which is essential for unlocking the full growth potential of rural Scotland, particularly South Scotland, which I represent? Can he assure me that representations are being made to the EC and the EIB to push forward Scottish projects for inclusion in the pilot phase?

**Alex Neil:** Scotland's digital ambition is fully aligned with the EU 2020 strategy, and the Scottish Government views the project bond initiative as an essential mechanism for securing potentially significant levels of finance, which will be essential for delivery of our world-class targets. The Scottish Government is already exploring how Scotland can act as an early pilot and accelerate the key broadband initiatives that are set out in our infrastructure investment plan.

**The Presiding Officer:** Question 5 has not been lodged by Jamie Hepburn, but the member has provided me with an explanation and an apology.

#### National Health Service (Staff Morale)

**6. Annabel Goldie (West Scotland) (Con):** To ask the Scottish Executive whether it is satisfied with the level of morale among NHS staff. (S40-00974)

**The Deputy First Minister and Cabinet Secretary for Health, Wellbeing and Cities Strategy (Nicola Sturgeon):** I understand that, in what are very difficult financial times, all workers in Scotland, including those who work for our national health service, will feel under pressure in their working lives and in relation to their household budgets. That is why we continue to do all that we can to create and maintain a supportive working environment in the NHS. We are maintaining our policy of no compulsory redundancies; we are ensuring that changes to the workforce are in line with quality assurance and are discussed in partnership; and we are passing on the health Barnett consequentials in full to NHS Scotland. We will continue to do everything that we can to support the NHS and its staff in the challenges that they face in providing world-class care to the people of Scotland.

**Annabel Goldie:** I accept that the cabinet secretary replies in good faith but, for the Scottish Government, ignorance is, indeed, bliss because, in response to my recent parliamentary questions about whistleblowers in the NHS, it did not know how many whistleblowers had raised issues, what legal costs had been incurred in dealing with such issues or how many NHS staff had been released with severance payments and associated non-disclosure agreements—that is shorthand for getting rid of whistleblowers. It appears that none of that information is held centrally. How can the Scottish Government have a clue about what morale among NHS staff is like without that essential information? What does the Government intend to do to get hold of it?

**Nicola Sturgeon:** I take morale and whistleblowing very seriously, but I am sure that Annabel Goldie would accept that the question of

morale is much bigger than issues associated with whistleblowing.

Working with health boards, the Scottish Government makes efforts, principally through our staff survey, to ensure that we understand the issues that affect staff morale in the NHS. I said recently in the chamber—in response, I think, to questions from Annabel Goldie and Dr Richard Simpson—that work had recently been done on the partnership information network policy on whistleblowing, which is extremely important. I continue to send clear messages to health boards on that issue.

Part of the answer to Annabel Goldie's question is that, initially, it is for health boards to ensure that they have in place the right environment to encourage staff to come forward when they identify any potential service failings and to feel that they can do so safely. I would be more than happy to meet Annabel Goldie to discuss the matter in more detail and to hear whether there are things that we can do to further improve the arrangements that are in place, because the Government and I are determined to ensure that we give staff the space and the ability to raise concerns and to have them addressed.

**Jackie Baillie (Dumbarton) (Lab):** In a recent survey, the Royal College of Nursing identified a drop in morale, particularly among nurses. I think that we would all recognise the challenging environment that they work in, especially given that more than 2,000 nursing posts have been cut from the NHS. However, in a spirit of consensus, will the cabinet secretary join me in welcoming international nurses day, which is on 12 May, and in recognising that much of what our nurses do forms the backbone of our NHS?

**Nicola Sturgeon:** I will answer that question entirely in the spirit of consensus, because I want to take the opportunity to welcome international nurses day and international nurses week. To mark international nurses day, I met a fantastic district nurse in Kirkintilloch earlier this week; in addition, I have recorded a message for the RCN. All of us should take the opportunity to thank nurses everywhere in Scotland for the tremendous work that they do in difficult circumstances. They do a fantastic job, and each and every one of us is indebted to them.

**The Presiding Officer:** My daughter will be pleased to hear that.

#### NHS Lothian (Management Culture)

**7. Sarah Boyack (Lothian) (Lab):** To ask the Scottish Executive whether it has received the report into the management culture at NHS Lothian and, if so, what lessons can be drawn from it. (S4O-00975)

**The Deputy First Minister and Cabinet Secretary for Health, Wellbeing and Cities Strategy (Nicola Sturgeon):** I received the initial findings from the investigation at the end of April, and I expect to see the final, formal report in the next day or two. The report will be published as soon as practicable thereafter. As well as sending it to the Health and Sport Committee, I will ensure that all members who have a constituency or regional interest in the matter get an early copy of it.

**Sarah Boyack:** I very much welcome that reply. Has the Scottish Government discussed with Audit Scotland the remit of its audit in light of the experience with NHS Lothian? Secondly, can the cabinet secretary give us a report on the joint working between the Scottish Government and NHS Lothian on the sustainable operational plan to ensure that patients are seen and treated within the legal treatment time guarantees?

**Nicola Sturgeon:** I thank Sarah Boyack for both questions. On the first, I welcome the work that Audit Scotland is planning to carry out. We are in close dialogue with the organisation on the remit for the internal board audits that I have asked to be carried out in every health board over the next few months. Obviously, it is for Audit Scotland to set the terms of reference for its own audit, but I have made it very clear that the results of the internal audit should be made available to Audit Scotland to assist its work.

Sarah Boyack's second question is also important. As I have told the chamber previously, an expert Scottish Government team is working with NHS Lothian to ensure that capacity issues are addressed not just in the immediate or short term but for the long term to ensure that the health board is able to deliver on the waiting time guarantee for all patients in a sustainable way. I expect nothing less of NHS Lothian or indeed any other board. The interim chief executive, Tim Davison, is working very hard on all these matters and I will be seeing him later today for an update. As I said in connection with the report, I am happy to discuss the on-going work in greater detail with any member who has a constituency interest.

#### Medical Isotopes

**8. David Stewart (Highlands and Islands) (Lab):** To ask the Scottish Executive what assessment it has made of the potential for the production of medical isotopes. (S4O-00976)

**The Deputy First Minister and Cabinet Secretary for Health, Wellbeing and Cities Strategy (Nicola Sturgeon):** The supply of medical isotopes is an international problem that, as Governments and other stakeholders have recognised, needs an international solution. In 2009, the Organisation for Economic Co-operation

and Development established a high-level group on the security of supply of medical isotopes, whose main objective is to strengthen the reliability of supply. The group is currently developing a policy approach to address supply chain issues and move towards long-term secure supply. Significant progress has already been achieved on improving the situation through increased communication, co-ordination of research reactor schedules and a better understanding of demand-management opportunities.

**David Stewart:** The World Nuclear Association has shown that more than 10,000 hospitals worldwide use radio isotopes in medicine and that about 90 per cent of the procedures are for diagnosis. As a result, there is strong worldwide demand for this material. However, as the cabinet secretary knows, there is no Scottish production and only one English facility. Will she agree to ask Highlands and Islands Enterprise to carry out a full economic appraisal of the prospects of manufacturing medical isotopes in Caithness using the skills, talents and experience of the Dounreay workforce who are currently engaged in nuclear decommissioning?

**Nicola Sturgeon:** David Stewart will understand that it would not be appropriate for me to give him a hard and fast commitment in response to his question. However, I undertake to discuss his request with HIE to hear what its views are and to find out whether an argument can be made for taking the sort of action that he has just outlined.

As I said in my initial response, it is important to ensure a secure supply of medical isotopes not just in Scotland but across the United Kingdom and indeed the world, and the international action that has been taken is intended to fulfil that objective. David Stewart obviously has an interest in this matter and I am happy to have on-going discussions with him and keep him informed of progress.

### **Hall & Tawse (Closure)**

**9. Mark McDonald (North East Scotland) (SNP):** To ask the Scottish Government whether it has had discussions with the staff and management of Hall & Tawse Joinery following the announcement that the business is to close, given the impact on employment in the area. (S4O-00977)

**The Minister for Energy, Enterprise and Tourism (Fergus Ewing):** Scottish ministers are always deeply disappointed to hear of potential redundancies and are aware of the impact on individuals, their families and the wider community. The Scottish Government acted immediately to provide support through the partnership action for continuing employment to all

Mansell and Hall & Tawse employees and local PACE representatives are awaiting a response from the company regarding a suitable date for a meeting with all staff affected.

**Mark McDonald:** Will the minister consider directing his officials to talk to the parent company, Balfour Beatty, on potential redeployment options within its reshaped organisation? After all, Hall & Tawse has operated since 1880 and trained thousands of apprentices in Aberdeen, and it would be a shame for that heritage to be lost.

**Fergus Ewing:** We will do as Mr McDonald suggests. He is quite right in what he says, which is why, despite the substantial cuts to its budget, the Government is continuing to support the construction sector in these difficult times by maintaining capital spend at £3,000 million in 2012-13.

## Police and Fire Reform (Scotland) Bill: Financial Resolution

12:00

**The Presiding Officer (Tricia Marwick):** The next item of business is consideration of motion S4M-02591, in the name of John Swinney, on the financial resolution to the Police and Fire Reform (Scotland) Bill.

*Motion moved,*

That the Parliament, for the purposes of any Act of the Scottish Parliament resulting from the Police and Fire Reform (Scotland) Bill, agrees to any expenditure of a kind referred to in paragraph 3(b) of Rule 9.12 of the Parliament's Standing Orders arising in consequence of the Act.—[*John Swinney.*]

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

## First Minister's Question Time

12:00

**The Presiding Officer (Tricia Marwick):** We now come to First Minister's question time. Question 1 is from Johann Lamont. [*Applause.*]

### Engagements

**1. Johann Lamont (Glasgow Pollok) (Lab):** Thank you very much, Presiding Officer. I am absolutely delighted to be here and that the local government elections went so successfully and smoothly.

To ask the First Minister what engagements he has planned for the rest of the day. (S4F-00663)

**The Presiding Officer:** I call the First Minister. [*Applause.*]

**The First Minister (Alex Salmond):** Wait a minute. We should just stop there, should we not?

Later today, I will speak to the managing director of the German company BASF, which, with the support of the Scottish Government, has today agreed to an £18 million investment in the Scottish company Equateq for a new manufacturing base on the Isle of Lewis. That will create 90 new high-quality jobs and secure the 10 that are currently there.

The creation of 90 jobs in the Western Isles is an extremely welcome development. To put the impact on the economy into context, in a city the size of Edinburgh, that would equate to several thousand jobs. I am sure that all members will welcome those quality jobs coming to an area whose economy is fragile but which is a wonderful part of Scotland.

**Johann Lamont:** I am sure that the First Minister is aware that the Western Isles are very dear to my heart and to my family. Perhaps people will welcome this announcement even though they are sceptical about some of the decisions that the Scottish Government has made in recent times that have had a significant detrimental impact on the Western Isles.

What lessons has the First Minister learned from last week's local elections?

**The First Minister:** Unlike some members of the Labour Party perhaps, I think that simple arithmetic is probably in order. I am delighted that the Scottish National Party emerged with 424 seats around Scotland, which was a gain of 62 seats. I know that Johann Lamont is very pleased to have emerged with 394 seats, which was a gain of 46 seats. However, when a party increases its number of seats and its lead over its main rival and wins an election, there is a reasonable lesson

for it to learn. For the Scottish National Party, it is not just an arithmetic lesson; we celebrate that political success.

**Johann Lamont:** For once, the First Minister has indeed answered the question, because his answer is, “What lessons? None.” Let me tell him what I have learned. I have learned that people do not like it when a party’s priorities are put before theirs, and people’s priorities are jobs, childcare, schools and public services. The First Minister has put Scotland on pause by getting rid of nurses, teachers and local government workers, and the people of Scotland sent him a clear message last week. Yes, they had a message for us—this is about listening and learning—which was that we have made progress, but the Scottish Labour Party has a long way to go. [*Interruption.*] Yes, it is about learning lessons. However, what really took the guilt off the gingerbread for me was that while we had some remarkable results and were gaining support, the First Minister was losing support at twice the rate. Why was that?

**The First Minister:** I was trying to catch up there.

The SNP got more than 500,000 votes and Labour got 487,000 votes in Scotland. I do not know whether Johann Lamont saw the very interesting map on BBC’s “Newsnight”, which showed where each party is represented in wards across Scotland, but basically it was covered in yellow right across the country and indicated that the SNP, unlike the other parties, is truly the national party of Scotland and is represented in every area.

Johann Lamont asked me about the lessons to learn. The key lesson for all politicians is on turnout, which although it was not nearly as low as was suggested in some media outlets, nonetheless was less than 40 per cent, at about 38 per cent. That is not an acceptable turnout in a democratic ballot. All of us as politicians have work to do to increase the turnout. We can take some satisfaction from the fact that in virtually every area of Scotland we managed, this time, to conduct a single transferable vote ballot without breakdowns in the counting machines, long delays or a hugely unacceptable number of rejected ballot papers. That was rather better than the Scotland Office managed five years ago, if we care to remember, which led to my belief that the Scotland Office couldnae run a tap, never mind an election campaign.

Nonetheless, a turnout lower than 40 per cent—even if it was higher than many people were expecting or indeed reporting—should provide a lesson for all democratic politicians that we must offer the electorate substantive policies and a positive vision that is worth voting for and must engage more than we do at present to secure

higher turnouts and higher democratic participation in future.

**Johann Lamont:** There is a direct question to the First Minister in the fact that, in the past year, his support has gone down by a quarter. He has to learn some lessons from that.

Let me give the First Minister some clues. His obsession with the referendum, the delay over the referendum and the attempts to skew the referendum are not popular with the public. The First Minister’s failure to focus on what people care about—jobs, childcare and public services—does not go down well with the public. The fact that the First Minister has more time for Rupert, although sometimes he is Sir Rupert, for Sir Fred, although he is no longer Sir Fred, and for Sir Brian—he is still getting his knighthood, isn’t he?—than he has for the people of this country does not go down well with the public. When will the First Minister start listening?

**The First Minister:** I am tempted to remind Johann Lamont yet again that I did not make Sir Fred Goodwin Sir Fred Goodwin, or make anybody else Sir anything. In the case of Fred Goodwin, the Labour Party did it.

In the run-up to the election, an SNP Government and a Labour president of the Convention of Scottish Local Authorities made a hugely important, substantive announcement about the initiative taken by the Government and local authorities to protect the council tax benefit of some of the lowest-income, most vulnerable people in Scotland—something that is not happening south of the border but will happen in Scotland. I thought that that was a very substantial theme and of significance to the 560,000 low-income Scots—half of them pensioners—who will benefit from that substantive move by an SNP Government and a Labour president of COSLA.

Why, then, has the very last thing on Johann Lamont’s mind at First Minister’s question time over the past few weeks been jobs or the initiative on council tax benefit? She has not raised the substantive issues that are meaningful to people. Johann Lamont says to this Government that we should engage. When we do engage, then, and bring forward a substantial initiative that was called for by the Labour Party, let us have some discussion about what it means for the lives of ordinary Scots.

**Johann Lamont:** First, on knighthoods, it was only the First Minister who gave Sir Rupert a knighthood. Secondly, on the council tax, I would advise people to look at the small print, because there is a £17 million deficit that will have to be covered by local government.

On the positive message from Labour, it was Labour across the country that spoke about jobs

and services at every turn. That is why we got the response we did.

I thought that it was just me that the First Minister does not listen to; in fact, self-evidently it is also the public, his back benchers and perhaps even one or two on his front bench. Who is the senior source, who said,

“The people of Scotland don’t like arrogance”?

Or what about the wise words of self-styled rising star Humza Yousaf—and we need a new rising star after Derek Mackay’s last seven days—who said,

“We’ll lick our wounds. We’ll look at the numbers and see where we went wrong, hopefully”?

Well, we can all live in hope.

The First Minister is not daft. Is it not the case that he won on the arithmetic, as he said, but that in reality, on the politics, he got stuffed?

**The First Minister:** What a classic illustration of engagement in the substantive issues facing the nation! What a lot of nonsense there is in the framing of that question.

The last thing that Johann Lamont wants to talk about is major jobs announcements or the fact that the latest employment figures show that Scotland has higher employment and lower unemployment than anywhere else in these islands. Those things are never mentioned by the Labour Party because they do not fit the Labour Party’s narrative nor its way of looking only at the negative, pessimistic side of politics. It never celebrates achievement and makes the most grudging acknowledgement of the important jobs boost to the Western Isles. I politely remind Johann Lamont that the Labour Party never introduced the road equivalent tariff or did anything else for the Western Isles that are obviously so dear to her heart.

The larger number of SNP councillors, the larger number of gains that we achieved, our doubling of our lead over the Labour Party and our winning the popular vote and having a councillor in virtually every ward across the country mean that if Johann Lamont wants to keep celebrating Labour Party defeats in Scotland, that will be fine by the Scottish National Party.

### **Secretary of State for Scotland (Meetings)**

**2. Ruth Davidson (Glasgow) (Con):** To ask the First Minister when he will next meet the Secretary of State for Scotland. (S4F-00655)

**The First Minister (Alex Salmond):** I have no plans to meet the Secretary of State for Scotland in the near future.

**Ruth Davidson:** The First Minister says that he wants to engage in a substantive issue so let us

do so. When ministers allowed universities to charge students from the rest of the United Kingdom, they said that the whole system would be based on where someone lives. Anyone who lives in England, Wales or Northern Ireland would have to pay up to £9,000. A week ago, all that started to unravel when Northern Irish pupils were told that possession of an Irish passport could result in their fees being met by Scottish taxpayers. Yesterday, we found out that any UK citizen who has an Irish granny can get in for free through that loophole. It now emerges that anyone with a grandparent from any of the other 26 European Union nations could have their fees paid by Scottish taxpayers. The Scottish Government’s defence for such a massive amount of confusion appears to be that no one has noticed yet so it will all be all right.

That is not good enough. We need to clear up the confusion. We need to fix the Guinness loophole.

Mike Russell said that fees would be paid according to where a person lives. It now appears that what matters is the passport that a person holds. Which is it?

**The First Minister:** Students who hold United Kingdom or EU nationality have been able to apply to universities for fee support for many years. That also applies to those with joint citizenship of the Irish Republic. There is no new entitlement under those arrangements.

What is new is the Tory and Liberal UK Government’s extraordinary and disastrous decision to introduce tuition fees of £9,000 per year. That is what created the issue that the Government must deal with. If we wind the clock back a year or so to when Ruth Davidson’s predecessor was asking questions, at question time after question time she told me that Scottish universities would never be adequately funded under the SNP’s proposed arrangements. It is now generally acknowledged, certainly by every principal in Scotland, that universities in Scotland are the best funded of any university institution in these islands. There has been fantastic investment in our university system. All the cries of doom and gloom and foreboding of disaster to come that the Conservative Party so disastrously deployed during the election campaign have come to naught.

Similarly, to answer this latest question, there is nothing new in the arrangements. There is no evidence of a serious difficulty affecting the universities. This Conservative scare story will dissolve just as surely as their scare stories about universities in Scotland not being properly funded did. The only semblance of truth in what Ruth Davidson says is that if the Conservative Party was ever allowed anywhere near government in

Scotland, our universities would certainly suffer as the English universities are suffering at the moment.

**Ruth Davidson:** If joint citizenship applications are old news—old news that was put out by the Government only this morning—why were they not identified in the consultation on the 2011 order? Confusion has been compounded by complacency.

It is not just the Conservatives who are asking these questions. Robin Parker, the National Union of Students Scotland president, who speaks for students, says that he is desperate for clarity and the president of the University and Colleges Union, Gordon Watson, has warned that a huge rise in such applications is likely next year. Scottish taxpayers already fund EU students at our universities to the tune of £75 million a year, but the continued incompetence of the education secretary could cost untold millions and see thousands of Scots unable to study in their own country.

Apparently, the introduction of rest of UK fees was supposed to stop Scottish students getting crowded out of Scottish universities but this shambles makes a mockery of that aim and blows apart the budgets of our universities, which have already set fees for people who now might not have to pay. Given that the education secretary is in denial, will the First Minister step in and sort this out?

**The First Minister:** Nothing in Ruth Davidson's question will change the fact that the calamity that she imagines will happen has happened no more than the calamity that the Conservative Party forecast last year happened. The real calamities happening in Scotland are in, for example, the way in which the regimental traditions are being traduced by the Conservative Party. Despite commitments and promises made by her predecessors and previous Conservative Party leaders to maintain the regiments, not even the cap badges are being maintained. Let us talk about the Conservative disasters of today, instead of imagined problems, which this Government will deal with in the same way that it has dealt with every difficulty that the Conservative Party has presented us with.

**Graeme Dey (Angus South) (SNP):** The First Minister has indicated that he is aware of the potential implications of the UK Government's defence review for our historic regiments. I draw his attention to the concern and anger felt by my constituents in Angus and shared throughout Dundee, Perthshire and Fife at the possibility that the local identity and proud traditions of the Black Watch will be lost either through regimental merger by its simply being renamed 3 SCOTS. Will the Scottish Government seek to make

Westminster understand just how unacceptable these proposals are for Scotland?

**The First Minister:** Yes, we will—and, indeed, are. Bruce Crawford wrote to Phil Hammond, the Secretary of State for Defence, on 2 March and Andrew Robathan, the Minister for Defence Personnel, Welfare and Veterans, on 11 April to signal concern about the rumours of such a move, with the threat to historic regimental names, and to seek further clarity on the transformation process. Those ministers responded that it was too early to discuss these matters in detail but that Nick Harvey MP, the armed forces minister, would update Mr Crawford in due course. We still await further contact from Mr Harvey's office.

It illustrates the arrogance that is being shown not only to this Government and Parliament but to elements of Scottish regimental tradition that this is being splashed all over the newspapers while we still await Nick Harvey's letter, telling us what the exact plans are. The Conservatives and Liberal Democrats have not only understated and underestimated the huge element of sentiment that that golden thread of tradition has acquired but have revived the save the Scottish regiments campaign, whose press release today, which I have just received, points out:

"Since the news of the Tories' disastrous plans for the Scottish Regiments, less than 48hrs ago, a Facebook group for the Save the ... Regiments Campaign has attracted nearly 1,500 members and continues to grow."

The Conservatives and Liberal Democrats will find that they face the same opposition to their plans that the Labour Party faced some years ago.

### Cabinet (Meetings)

**3. Willie Rennie (Mid Scotland and Fife) (LD):** To ask the First Minister what issues will be discussed at the next meeting of the Cabinet. (S4F-00654)

**The First Minister (Alex Salmond):** The next meeting of the Cabinet will discuss issues of importance to the people of Scotland.

**Willie Rennie:** The British Prime Minister has pledged his support for equal marriage. Yesterday, President Barack Obama, too, declared in favour of it. Will the First Minister guarantee that he will bring equal marriage to Scotland?

**The First Minister:** I made my personal views clear during the election campaign and have not changed my mind in that respect. However, we are in a consultation process. I believe that we have received 60,000 responses to that consultation—it might be more—and analysing them is taking some time. The responses will be published next month and the process will take its course in the proper and usual manner. I do not think that Willie Rennie helps matters by trying to

stop that process following its proper pattern. Regardless of my views or his views, he must understand that equal marriage is an issue that excites substantial interest among large sections of the Scottish population. If we are to get a resolution of the issue—as I hope we do—that is entirely satisfactory and which is in keeping with Scottish tradition and the tradition of this Parliament, whatever else we do and whatever side of the debate we are on, we must treat the matter sensitively and properly.

**Willie Rennie:** If a British Prime Minister and a US President can proudly declare their support for equal marriage, surely the First Minister should not be so timid. This morning, his own MEP, Alyn Smith, has said:

“too many politicians are too equivocal”

on this. Why has the First Minister chosen to be one of the equivocal people who are criticised by his own side, instead of proudly joining the progressive world leaders in supporting equal marriage? If it is good enough for Obama, surely it is good enough for Salmond.

**The First Minister:** I gently point out that, whatever else Willie Rennie might think about David Cameron, his description of him as a “progressive world leader” sums up the difficulty of the Liberal Democrats in Scotland. I do not know whether Willie Rennie believes that David Cameron is a progressive world leader but, if he does, that certainly explains the departure of any semblance of a Liberal Democrat party from Scotland. If he thinks that he will get any help or support from the Conservative Party, he should have a look at Ruth Davidson’s press statement from earlier this week, in which she described the Liberal Democrats as defunct.

I have made my personal position on the issue perfectly clear but, as First Minister of Scotland, I have a responsibility to ensure that the debate is handled sensitively and correctly. We have had a huge number of responses to the consultation, and we will proceed in that manner so that everyone, regardless of their views, understands that the responses are being properly analysed and that the matter will be brought to a proper conclusion.

### Health Behaviour (School-age Children)

**4. Joe FitzPatrick (Dundee City West) (SNP):** To ask the First Minister what steps the Scottish Government is taking to address the findings of the recent World Health Organization survey, “Social determinants of health and well-being of young people: Health Behaviour in School-aged Children Study”. (S4F-00653)

**The First Minister (Alex Salmond):** It was a very encouraging report from the WHO. Young

Scots are generally satisfied with life, they are smoking less and consuming less soft drinks, and they see themselves as performing well at school. We recognise that much more needs to be done, and we continue to work hard to ensure that Scotland is the best place in the world for young people to grow up in.

**Joe FitzPatrick:** It is clear from the report that there is room for improvement, but it is also clear that Scotland is moving towards being a healthier society.

With the support of the Scottish National Party Government, the minority Dundee City Council administration took steps to improve the health of all Dundee’s residents. Work started on a £30 million swimming pool, £300,000 has been provided to upgrade the city’s velodrome, 20 primary school teachers have been funded to undertake postgraduate training in physical education and £170,000 has been earmarked to improve the city’s infrastructure to encourage people to walk and cycle more often.

**The Presiding Officer:** Can we get to a question, please?

**Joe FitzPatrick:** Does the First Minister agree that those may be some of the reasons why the people of Dundee elected a majority SNP administration last week?

**The First Minister:** Yes, I do. Not even the ranks of the Labour Party will want to claim the result in Dundee as a success for their party.

**Neil Bibby (West Scotland) (Lab):** There was a bit of a different result in Renfrewshire. [Interruption.]

**The Presiding Officer:** Can we get to the question?

**Neil Bibby:** Why has the Scottish Government failed to deliver on the 2007 manifesto commitment that children should receive two hours of quality physical education each week from specialist PE teachers?

**The First Minister:** I think that Neil Bibby should reflect on the fact that that was a refrain of the Labour Party in last year’s Scottish Parliament election, which was another election that it lost across Scotland.

We have made very substantive progress towards those targets. The present position represents a remarkable transformation from the situation that we inherited. On a range of matters—PE at school is certainly one of them—I advise the new Labour members who replaced the Labour members who got knocked out last year, to have a look at what happened in 2007, the position that we inherited and the substantial improvements that have been made. I see one of

the older Labour members waving his hands. The new members do not even have to look it up, because one of their older brethren can tell them about the disastrous position that we inherited and about the huge improvements that the Government has implemented in PE and nursery care and across a range of social provision.

### **Ryan Yates (Independent Report)**

**5. Lewis Macdonald (North East Scotland) (Lab):** To ask the First Minister what action the Scottish Government will take in response to the independent report published following the Ryan Yates case in Aberdeen. (S4F-00664)

**The First Minister (Alex Salmond):** I am sure that all members will want to pay tribute to the courage and strength of character that were displayed by a grandmother who fought so bravely to protect her grandchildren from Ryan Yates. It was a despicable crime. Along with the police and other agencies, we will carefully consider the recommendations of the report. As Lewis Macdonald will know, Scotland has a robust system for managing sex offenders. The monitoring of such offenders is now tougher than ever before. However, if processes can be improved and strengthened further, the law enforcement agencies and the Scottish Government will take appropriate action following the report. The Cabinet Secretary for Justice will in early course update Parliament on the actions that are being taken specifically in response to the recommendations.

**Lewis Macdonald:** I echo the First Minister's sentiments regarding the victims and the witnesses of that horrific attempted crime. Is he aware that the separate funding stream for intensive support and monitoring of the most serious offenders on release is now no longer available to councils that face exceptional costs, which can run to six-figure sums? Is he aware that such funding was not available to Aberdeen City Council in this case, simply because Ryan Yates had served his full sentence and was therefore not subject to any licence conditions on his release? Does the First Minister agree that those issues need to be addressed urgently to maximise public protection and ensure that such incidents never happen again?

**The First Minister:** I would not want to disguise the fact that that is part of the local government settlement. However, I am sure that Lewis Macdonald will be the first to say that, because of the introduction of the floor in local government settlements across Scotland—something that many members of his party resisted—Aberdeen has had a substantial improvement in its position. The Scottish Government and, I am sure, members across the chamber, will want to look

extremely closely at the specific recommendations of the report. I hope that, when we bring forward whatever further improvements require to be implemented, they will enjoy cross-party support.

**Alison McInnes (North East Scotland) (LD):** Recommendation 14 of the report is that there should be legislative change to allow retrospective applications for orders for lifelong restriction on prisoners. Does the First Minister intend to implement that recommendation and, if so, how will he reconcile that with human rights legislation?

**The First Minister:** The member has put her finger on one of the recommendations that are being carefully considered. She is right to point out that there are attractions in the recommendation in terms of public safety but there are also obstacles that would have to be overcome in the legislative process. That is exactly the sort of issue that the Cabinet Secretary for Justice is considering. However, I would not want to give the impression that there are not other specific recommendations in the report that are capable of implementation. I would not want any legislative difficulties that might accompany that particular recommendation to disguise the fact that the bulk of the report brings forward valuable information. All of us will want to see as much as possible of that, to further strengthen and improve our systems.

### **Postage Increase (Economic Impact)**

**6. Jamie Hepburn (Cumbernauld and Kilsyth) (SNP):** To ask the First Minister what impact the recent increase in the cost of postage will have on the Scottish economy. (S4F-00661)

**The First Minister (Alex Salmond):** It is a substantial increase at a time when small businesses are under pressure from ever-increasing costs and a continuing lack of access to lending from the banks. Far from us all being in this together, the United Kingdom Government, in agreeing to such a substantial increase, does not seem to have given much thought to the stresses on small business and the significant effect on the economics and finances of many small businesses.

**Jamie Hepburn:** The Royal Mail's operating profit in the first half of the last financial year alone was £67 million. Does the First Minister agree that that level of profit indicates that the increase in the cost of postage was unnecessary and is part of the long-held Tory plans to undermine the Royal Mail and the Post Office as publicly owned institutions? Would this Parliament not do a better job of running Scotland's postal services?

**The First Minister:** I am certain that, given the demonstrable effect of the changes that we have made in the areas of policy and legislation that we control, there is the strongest argument possible

that that legislative competence should be extended. I would like it to be extended to everything, in an independent Scotland. However, I hope that Labour members will consider whether they believe that the universal postal service at reasonable cost is safer in the hands of a Tory Government in Westminster than it would be in the hands of this Parliament. I hope that Labour members will consider that point, not just as far as the Post Office is concerned but with regard to many other areas of Scottish life, because the substantive evidence is that, in areas where we have legislative competence, we make improvements in the real-life experience of people in Scotland. That has certainly been true of this Government. Incidentally, it has also been true of this Parliament since 1999. That is a substantive argument for extending the powers and authority of this Parliament and substantially diminishing the powers and authority of the Tory Government at Westminster.

12:30

*Meeting suspended.*

14:15

*On resuming—*

## Scottish Executive Question Time

### Justice and Law Officers

**The Presiding Officer (Tricia Marwick):** Good afternoon. Question 1 is from Stewart Maxwell. [*Interruption.*] We will wait until he gets his card in.

### Smoking, Health and Social Care (Scotland) Act 2005 (Prosecutions)

**1. Stewart Maxwell (West Scotland) (SNP):** I apologise, Presiding Officer. I got here early, as well, to make sure there were no problems.

To ask the Scottish Government how many prosecutions there have been under the Smoking, Health and Social Care (Scotland) Act 2005 for smoking in non-smoking premises and permitting another person to smoke in non-smoking premises. (S4O-00979)

**The Solicitor General for Scotland (Lesley Thomson):** Since the offences came into force on 26 March 2006, 152 charges of smoking in non-smoking premises have been reported to the procurator fiscal. Of the 123 cases in which action was taken, court proceedings were raised in 37 and a further 86 were dealt with by a direct measure issued by the procurator fiscal. Eleven charges of permitting another person to smoke in non-smoking premises have been reported to the procurator fiscal. Of the five cases in which action was taken, three were prosecuted and a further two were dealt with by a direct measure issued by the procurator fiscal. The offences can also be dealt with by fixed penalties that are issued by local authority enforcement officers.

**Stewart Maxwell:** It has been reported to me that some of those who have been prosecuted view a fine as an occupational hazard or just another business expense. Is the number of prosecutions rising, falling or remaining steady year on year? Does the Scottish Government have any plans to increase the size of the fines or the fixed penalties that are issued to smokers and proprietors who allow smoking in breach of the 2005 act?

**The Solicitor General for Scotland:** I will provide the exact year-on-year figures in writing to the member at an early date.

On the other matters that the member raises, for a person who manages or who has control of non-smoking premises and who permits another person to smoke in contravention of section 1 of the 2005 act, the fixed penalty that is issued by the

local authority is £200. For the offence of smoking in a public place, the penalty is £50. Both of those can be discounted for early payment. If prosecuted, the maximum penalty for the offences is £2,500 for a section 1 offence and £1,000 for a section 2 offence. There are no plans to increase the levels of fixed penalty. The levels of fixed penalty that are issued by local authority enforcement officers are comparable to the levels that a procurator fiscal could offer in relation to such offences by way of fiscal fine in the first instance.

The guidance for enforcement officers that was produced at the time promoted not just the understanding of the reasons for the ban on smoking, but compliance with the legislation. My understanding is that, in the first three months after the ban, it was found that there was compliance with the smoking laws and that the levels of compliance continued in later studies. The Crown Office and Procurator Fiscal Service has clear guidance on repeat offenders, on which action will be taken if there is a history of analogous offending.

In conclusion, robust penalties are available through local authority enforcement and through the COPFS powers to issue fiscal fines and, ultimately, to prosecute to ensure that those who knowingly and persistently flout the ban can be dealt with appropriately.

#### **Lothian and Borders Police (Farm Watch)**

**2. Paul Wheelhouse (South Scotland) (SNP):** To ask the Scottish Government what progress has been made in implementing the farm watch scheme across the Lothian and Borders Police force area, in order to reduce the impact of crime on local farmers. (S4O-00980)

**The Cabinet Secretary for Justice (Kenny MacAskill):** Recorded crime in Scotland is at its lowest level since 1976. It is important to recognise that the majority of farmers enjoy a crime-free working environment. The Scottish Business Crime Centre, in partnership with the National Farmers Union Scotland and Lothian and Borders Police, has produced a practical guide to crime prevention in rural and farming communities. Initiatives such as farm watch are an important tool in promoting farm security and crime prevention in rural and farming communities. If the information and advice from the police is followed, it should decrease the likelihood of someone being a victim of crime.

**Paul Wheelhouse:** NFUS members in East Lothian and Midlothian have raised concerns that, although significant resources and commitment have been given to farm watch in the Borders, which is G division, elsewhere in the Lothian and Borders Police area, on-farm crime is not

necessarily receiving as robust a response. I am not asking for the cabinet secretary to interfere in operational matters, but I wonder whether there is any scope to provide evidence of farm watch's impact and success to date in order to encourage other divisional commanders to adopt the scheme more seriously.

**Kenny MacAskill:** I thank the member for raising the issue, because we need to recognise that it has affected not only the Borders but Dumfries and Galloway. Indeed, chatting to Adam Ingram at lunch time, I learned that it is also an issue in the South Ayrshire area that he represents.

It would be right for the member to raise the matter in other parts of the Lothian and Borders Police area and indeed elsewhere but our information so far is that farm watch is working well; after all, it is all about people working with other authorities on these issues. If the member were to raise the matter with the chief constable, I would be more than happy to echo his comments that such schemes are examples of good practice and that we should seek to introduce them not only in more rural areas but in areas such as Midlothian and East Lothian that have significant numbers of farming communities who should be protected and whom we should be assisting in that respect.

#### **Cyberbullying**

**3. Kezia Dugdale (Lothian) (Lab):** To ask the Scottish Executive how it ensures that cyberbullying incidents are recorded accurately. (S4O-00981)

**The Cabinet Secretary for Justice (Kenny MacAskill):** The aim of the Scottish crime recording standard, which was introduced throughout Scotland in April 2004, was to provide a more victim-orientated approach to the recording of crime and ensure uniformity in crime recording practices across police forces. Responsibility for ensuring compliance with the standard lies with individual chief constables.

As I noted in my reply to the member's previous question,

"cyberbullying is not a specific offence in itself ... and may not be identifiable separately"—[*Official Report, Written Answers*, 16 April 2012; S4W-06346.]

in the annual "Recorded Crime in Scotland" bulletin.

**Kezia Dugdale:** Does the cabinet secretary share my concern, also expressed by parents and children's charities across Scotland, about the growing prevalence of cyberbullying incidents and is he willing to meet me to discuss the issue in more detail?

**Kenny MacAskill:** I am more than happy to recognise that the issue exists. I do not know whether it is better to discuss the matter with me, my colleague the Cabinet Secretary for Education and Lifelong Learning, or indeed the Minister for Children and Young People, but the member is right to point out that, in the world in which we live, certain aggressive behaviour, no matter whether it is related to tweets about football or, indeed, children, is unacceptable and deeply distressing and indeed can be criminal. As I have said, the issue might be better dealt with by those with responsibility for children but the Government is certainly happy to liaise with the member to see what we can do collectively to ensure that these matters are minimised and that we protect people from frankly unacceptable behaviour.

#### Mediation (Family Contact Disputes)

**4. Willie Coffey (Kilmarnock and Irvine Valley) (SNP):** To ask the Scottish Government whether it plans to strengthen the role of mediation in resolving family contact disputes. (S4O-00982)

**The Minister for Community Safety and Legal Affairs (Roseanna Cunningham):** The Scottish Government takes mediation services very seriously; indeed, the member might be interested to learn that I will be speaking on that very subject at a conference next Wednesday. However, although such services can play a valuable role in resolving family disputes, the Scottish Government believes that, where parents cannot reach agreement, it is right for a court to regulate matters in relation to contact.

**Willie Coffey:** The minister will be aware of the devastating effects of contact agreements being broken without any explanation, usually as a result of a family dispute, and the consequent damage to children. Will the Scottish Government give some consideration to requiring parents who do that to present a case to the mediation service to ensure that a clear explanation is recorded and can form the basis for discussion to resolve disputes as early as possible?

**Roseanna Cunningham:** I am aware that the member has a long-running constituency interest in these matters. The difficulty is that the member's suggested approach raises some problems. For example, if domestic abuse were involved, mediation would not be appropriate. Moreover, a mediation service cannot act in a judicial way and compel parents to appear before it. The fact is that mediation works well only if people undertake it voluntarily; if they are forced into it, it ceases to be mediation. There are also cost implications in giving extra functions to mediation services.

Issues of contact can be very complex, and there might well be good reasons why contact

does not happen after the court has ordered it. In the longer term, however, we should—and will—take a further look at issues around the enforcement of contact orders.

#### Sentencing (Impact on Children)

**5. Mary Fee (West Scotland) (Lab):** To ask the Scottish Executive how it takes account of the rights of the child when a parent is being sentenced. (S4O-00983)

**The Cabinet Secretary for Justice (Kenny MacAskill):** It is the courts rather than the Scottish Government that decide sentences, and the courts will take into account any relevant factors before they make a decision on sentencing within the overall legal framework. The complete independence of the judiciary is at the heart of the criminal justice system in Scotland, and it is appropriate that such decisions are entirely a matter for the sentencing judge, who will hear all the facts and circumstances surrounding the offence and the offender.

At the point of sentencing by the court, it can request a criminal justice social work report. As part of the reporting process, it is possible for the report writer, if appropriate, to interview the children of offenders to consider the welfare, interests and needs of those children. The purpose of the criminal justice social work report is to provide the court with appropriate information that will be helpful in deciding the most appropriate way to deal with offenders.

**Mary Fee:** Child impact assessments ensure that the child's interests are represented in decisions about custody and release, and they highlight the needs of the child at those points. Does the cabinet secretary agree that such assessments are vital for the long-term protection and wellbeing of children, and that they possess the opportunity to rehabilitate the parents, because they know what will happen to their child after sentencing?

**Kenny MacAskill:** The member makes a valid point. That is why we as an Administration and we as a party supported Aileen Campbell's attempts in the previous session to introduce measures that would have required the courts to consider the impact on the child.

It is important that anybody who imposes a custodial sentence—or, indeed, a non-custodial sentence in many instances—looks into the interests of and consequences for the child. At the end of the day, it must be for the sheriff or judge to make the final decision—that is a fundamental tenet of our democracy—but the member raises an important point. I am happy to discuss the matter with her, and I discuss it with Tom Welsh and the chair of the Judicial Studies Committee.

The member is correct. In taking issues into account and imposing a sentence, it is important that the court is aware of and at least considers what the ramifications for children will be.

### Legal Aid (Reform)

**6. Elaine Murray (Dumfriesshire) (Lab):** To ask the Scottish Executive how it plans to reform the legal aid system. (S4O-00984)

**The Cabinet Secretary for Justice (Kenny MacAskill):** The Scottish Government has taken forward significant reforms to the legal aid system. In the 2007 to 2011 parliamentary session, financial eligibility for civil legal aid was substantially widened so that more than 70 per cent of the Scottish population potentially qualify for it. In addition, summary criminal legal aid was reformed, and improvements were made to the fee structures for civil legal aid, solemn criminal legal aid and criminal appeal fees for counsel. A further series of changes was made following the 2010 spending review to reduce expenditure while maintaining the broad scope of the legal aid system.

In October 2011, the Scottish Government published its detailed plans for the on-going reform of the legal aid system in Scotland in the paper entitled "A Sustainable Future for Legal Aid".

**Elaine Murray:** The Scottish Civil Justice Council and Criminal Legal Assistance Bill was introduced the day after my question was lodged. I understand that one of its purposes is to ensure parity in the payment of charges in criminal, civil and children's legal aid cases. Constituents of mine who have been involved in civil cases, such as divorce cases, have raised concerns with me that some applicants for legal aid may be able to conceal sources of income or capital assets. What procedures are used to prevent fraud? Will the bill that the cabinet secretary introduced last week tighten them up?

**Kenny MacAskill:** The bill that was introduced last week is a separate matter, but the member raises an appropriate point. It should be borne in mind that making a false declaration is a criminal offence. That would be a matter for the Scottish Legal Aid Board, and I assure the member that the board takes such matters seriously. I am sure that the chief executive of the Scottish Legal Aid Board, Lindsay Montgomery, would be happy to advise the member of further steps that it takes to ensure that fraud is not perpetrated.

The member may very well be at one with us on contributions in criminal cases. It has always been my view that there has been a manifest injustice in a victim of domestic violence, for example, finding herself liable to making contributions to obtain the appropriate civil orders for her protection, despite

her keeping a roof over the heads of the children, while the perpetrator of the violence has received criminal legal aid without making any contribution. That has happened in many instances, and there is no basis for it. Equally, if someone who can afford to buy and run a car and meet all the costs that go with that indulges in drink-driving, it is perfectly clear to me that they should be capable of making a contribution towards criminal legal aid.

I will be happy to advise the member on the issue that she asks about, and I have no doubt that the Scottish Legal Aid Board could provide further information. I hope that we can work together to ensure that there is some parity. The purpose of the bill that we have introduced is to ensure that, by bringing in contributions in criminal cases, we can continue to provide access to legal aid to those who, like Elaine Murray's constituents, need protection.

### Prisons (Contraband)

**7. Maureen Watt (Aberdeen South and North Kincardine) (SNP):** To ask the Scottish Government what measures it is taking to involve local communities in preventing the entry of contraband into the prison estate. (S4O-00985)

**The Cabinet Secretary for Justice (Kenny MacAskill):** The Scottish Prison Service, working with the police and other partners, has developed a variety of initiatives, including the new prison watch scheme. That innovative scheme has been a great success in Edinburgh prison, where it was piloted. Encouraging local people to work with the SPS and the police to catch those who try to introduce drugs, phones and other illicit items into our prisons is the way forward. I am confident that the success that has been achieved in Edinburgh will be repeated in Aberdeen and Peterhead prisons.

**Maureen Watt:** Involving the local community in helping to keep contraband out of prisons is particularly important in areas where the prison is sited close to local residents, as is the case in my constituency, so I am delighted that the prison watch scheme has been launched in HMP Aberdeen. Given the success of the pilot scheme in Edinburgh, will the cabinet secretary look at rolling out the approach in other parts of the country, if the evidence shows that the project continues to reduce the level of contraband that gets into prisons?

**Kenny MacAskill:** Absolutely. The scheme started in Saughton on the initiative of an officer who serves there. I am grateful to the staff and the governor of the prison.

Maureen Watt makes a valid point about prisons that are located in the heart of communities. The situation might be somewhat different in Shotts

prison or even Glenochil prison. It is a question of good practice. The scheme that has been piloted in Edinburgh is being rolled out in Aberdeen and Grampian prisons. I give the member an absolute assurance that, if the scheme works, we will seek to ensure that it works in every part of the prison estate.

**The Presiding Officer:** Question 8 has been withdrawn by Neil Findlay. The member has provided me with an explanation.

### **Procurator Fiscal Service (Guidance)**

**9. James Dornan (Glasgow Cathcart) (SNP):** To ask the Scottish Government what guidance is used by a procurator fiscal in determining whether a case is tried on a summary or indictment basis. (S4O-00987)

**The Solicitor General for Scotland (Lesley Thomson):** Procurators fiscal take account of legal requirements and internal Crown Office and Procurator Fiscal Service guidance when they determine whether a case is to be tried on summary complaint or indictment. There are categories of case in which the procedure to be used is prescribed by law. Many offences—for example, certain road traffic matters, such as speeding offences—can be tried only on a summary basis. The law also provides that other offences such as murder and rape may be tried only on indictment.

In circumstances in which the prosecutor has discretion, detailed case-marking guidelines are available, which outline the factors that are to be taken into account and provide guidance on the forum for prosecution in light of the facts and circumstances of each case. The case-marking guidelines are reviewed to take account of sentencing trends and to ensure that prosecution policy properly takes account of the particular concerns about certain crimes in our society.

**James Dornan:** In the recent case of Damon Brooke, who attempted to abduct a young girl last year, the sheriff commented that the fact that the case was dealt with as a summary prosecution meant that his hands were tied when it came to sentencing. Given that the nature of a crime is a highly significant factor in the procurator fiscal's decision making, does the Solicitor General agree that there needs to be a review of which crimes fall into the category of solemn prosecution and which fall into that of summary prosecution?

**The Solicitor General for Scotland:** I am aware of the case that the member refers to and I understand the concerns that he has raised, but it would be inappropriate for me to provide any details about the decision making in the case at this stage. I understand that sentence has still to be passed, so it would be inappropriate for me to

comment. However, I can inform the member that I have asked for a report into the circumstances of the case, and I would be happy to write to him or to meet him to discuss his concerns.

If it would be helpful, I can say that, in general terms, the best outcome in the public interest informs the procurator fiscal's decision making. There can be cases in which, although the outcome is expected to be a community disposal, perhaps because the crime was detected quickly or the offender was thwarted at an early stage, the potential gravity of the offence is such that it is still in the public interest to raise proceedings before a jury—in other words, on indictment—to ensure that its gravity is publicly acknowledged.

I said earlier that case guidance is kept under review. I repeat in general terms that, if concerns have been raised about cases and, with hindsight, it is felt that matters need to be looked at again, that could involve, if necessary, reviewing guidance or discussion with an individual to ensure that all lessons are learned for other cases. Although I cannot comment further on the particular case, I will be happy to do so at a future date.

**The Presiding Officer:** I remind all members that they should not raise in the chamber matters to do with cases that have not yet been fully disposed of. If any member wishes to seek guidance and legal advice from me as to whether an issue should be raised, I am always happy to speak to them.

## **Rural Affairs and the Environment**

### **Farmers Co-operatives**

**1. Colin Beattie (Midlothian North and Musselburgh) (SNP):** To ask the Scottish Government what action it has taken to encourage the establishment of farmers co-operatives to promote local produce. (S4O-00989)

**The Cabinet Secretary for Rural Affairs and the Environment (Richard Lochhead):** We support the Scottish Agricultural Organisation Society to work across the public and private sector to support business models that enhance collaboration, gain economies of scale, reduce costs and promote Scotland's outstanding produce at home and abroad. Among other things, since 2007, we have provided direct funding of more than £4 million to various farming co-operatives to develop and expand their businesses.

**Colin Beattie:** I have an example in which meals on wheels are flown frozen from Wiltshire to Glasgow and then trucked a further 120 miles via a Scottish depot to my constituency of Midlothian North and Musselburgh. Does the cabinet secretary agree that that is patently absurd and

that encouraging local produce through local purchasing makes good sense?

**Richard Lochhead:** Yes—where that can happen, it makes sense. The Government remains committed to encouraging those who are involved in procurement, particularly public procurement, to buy more fresh, seasonal and high-quality produce, which often comes from local producers and suppliers. The Government has set in motion a range of actions to support that commitment, including publishing guidance that is aimed at small and medium-sized enterprises and public bodies. I am keen to hear more about the example that the member cites, because it is clearly causing concern. If there is any way in which we can help to change the culture locally, we would certainly support that.

**Claudia Beamish (South Scotland) (Lab):** As a member of the Scottish Co-operative Party, I have a particular interest in the co-operative model, which is vibrant in the agriculture sector. Can the cabinet secretary give a reassurance that the Scottish Government will support the aims of the Scottish Agricultural Organisation Society, which wishes to increase the availability of local food in partnership with the Scottish Association of Farmers Markets, in particular with regard to problems of town planning constraints?

**Richard Lochhead:** Yes, I can give the member that assurance. The Government has given unprecedented support to farmers markets and has encouraged them to work together across Scotland. We recently gave the Scottish Association of Farmers Markets, I think, £200,000, which was the first grant that it had received as a body. I hope that that will help to make a difference. As I said in my previous answer, we have given £4 million to the Scottish Agricultural Organisation Society, to which the member referred. If the society wishes to bring to my attention any particular issues that will help to empower primary producers to deal directly with their customers and across the supply chain, I would be interested in hearing about that.

### Salmon Farming (Sea Lice)

**2. Graeme Pearson (South Scotland) (Lab):** To ask the Scottish Executive what action it will take to meet the international goals agreed in the North Atlantic Salmon Conservation Organization “Guidance on Best Management Practices to address impacts of sea lice and escaped salmon on wild salmon stocks”. (S4O-00990)

**The Minister for Environment and Climate Change (Stewart Stevenson):** I refer the member to written answer S4W-06830, which was published in the daily written answers report on 30 April 2012 and which states:

“The Scottish Government has supported, and continues to support, the sustainable development of the aquaculture industry and wild salmon and recreational fisheries in Scotland.

The draft report does not fully take into account the measures that the Scottish Government has taken, and continues to take, to address the issues highlighted. Examples include the continued work of the Improved Containment Working Group and proposals included in the recent Aquaculture and Fisheries Bill Consultation document. We are considering the way forward in light of responses to the bill consultation.”—[*Official Report, Written Answers*, 30 April 2012; S4W-06830.]

**Graeme Pearson:** As the minister will be aware, NASCO utilises four focus area reports in monitoring this issue and, according to its recent report,

“progress towards achieving the international goals for sea lice and containment”

had not been demonstrated in Scotland. Does the minister recognise that the reporting of lice levels on individual farms is fundamental in demonstrating progress towards achieving the international goals for sea lice?

**Stewart Stevenson:** In my time as minister responsible for wild salmon and recreational fisheries and, of course, aquaculture, I have sought to promote dialogue between the interests that have to share the same ecological space. I am therefore very pleased to report that as a result of a series of workshops that we have run, and because of the way in which we have worked, the different sectors are now talking to each other. For example, the wild salmon and recreational fisheries industry has sat down with the aquaculture industry to examine the sea lice data that is collected in considerable detail. That is a substantial step forward. That data is collected and published in aggregate, and I am optimistic that we will find the right balance that will enable us to continue to drive sea lice infestation down from what are, in world terms, already very low levels to even lower levels and ensure that there is even less interaction between wild salmon and the aquaculture industry.

**Jamie McGrigor (Highlands and Islands) (Con):** What is the Scottish Government doing to encourage an integrated system of fallowing of fin fish cage sites in sea lochs? Has it taken note of the fact that wild salmon and sea trout stocks in particular west coast areas are declining while east coast stocks appear to be rising?

**Stewart Stevenson:** Taking the second question first, I point out that the reduction in stocks is specific to specific rivers. Stocks are rising in some west coast areas and falling in others, but those trends are simply an extension of trends that were in evidence before any farms were established.

On the issue of fallowing, our recent consultation, responses to which we are now analysing, sought views on management areas for estuaries or lochs shared by a number of operators to ensure synchronised fallowing. In taking forward that proposal, we must work with the industry. As long as they serve the public good, I would very much like voluntary agreements to be reached in different areas—after all, they help us by keeping us out of the picture. Fallowing is certainly a very important part of the armoury in dealing with sea lice.

**The Presiding Officer:** I remind members and ministers that I would appreciate fairly short questions and answers if we are to get through this afternoon's business.

### Animal Cruelty

**3. John Park (Mid Scotland and Fife) (Lab):** I will do my best, Presiding Officer.

To ask the Scottish Executive what steps it is taking to tackle animal cruelty. (S4O-00991)

**The Cabinet Secretary for Rural Affairs and the Environment (Richard Lochhead):** The Animal Health and Welfare (Scotland) Act 2006 makes it an offence to cause unnecessary suffering to animals kept by man and provides suitable powers for enforcement bodies. In the area of animal welfare, we are currently concentrating on developing new legislation on the welfare of animals at slaughter in order to implement European Union legislation early next year. Other issues under consideration include the use of wild animals in circuses, the regulation of equine establishments and the use of electronic shock collars for dog training.

**John Park:** The Scottish Society for Prevention of Cruelty to Animals has raised concerns about consistency in sentencing. I realise that the cabinet secretary does not have a direct input into sentencing, but I note that in one case an individual was given a life ban for not feeding a cat for four days, while in another, a repeat offender was given only a five-year ban for dog fighting. Is the cabinet secretary prepared to engage with the SSPCA on these matters and raise concerns directly with Cabinet colleagues and the Cabinet Secretary for Justice?

**Richard Lochhead:** I thank the member for raising the matter, although it is perhaps slightly more appropriate to the ministers in the justice portfolio who have just been answering questions. That said, I am happy to speak to the Cabinet Secretary for Justice on the issue and, if the SSPCA has any concerns, I urge it to write to me about them. The Parliament's job is to legislate and ensure that the appropriate penalties are available to the courts, but ultimately it is up to the

courts to decide on each case. Nevertheless, if the SSPCA wishes to write to me on the issue, I will look into it.

### Walking and Cycling to Work (Glasgow)

**4. Humza Yousaf (Glasgow) (SNP):** To ask the Scottish Government what action it is taking by means of its climate challenge fund to promote walking and cycling to work initiatives in Glasgow. (S4O-00992)

**The Minister for Environment and Climate Change (Stewart Stevenson):** I recently announced the successful projects to receive funding from round 9 of the climate challenge fund. That included four projects totalling over £1.5 million in Glasgow that contained an element of sustainable transport. Projects included an award to the Glasgow bike station of just under £450,000 over three years for their a better way to work Glasgow project.

**Humza Yousaf:** I thank the minister for his response and welcome the grants that are coming to Glasgow. I suppose that it is important that cycling and walking initiatives are supported. We know that their benefits are a boost to health and fitness, the reducing of stress and the saving of money, all three of which would probably benefit us all. Has the Government considered a cycle hire scheme with docks at train or subway stations, Commonwealth games venues or throughout the city to encourage more Glaswegians to get active and fit?

**Stewart Stevenson:** I have seen successful schemes of that kind in Brussels and London. It would be a matter for Glasgow City Council to pursue. During the next three years, we will invest more than £20 million in active travel projects and I would be happy for the Government to work with Glasgow City Council on that.

**Anne McTaggart (Glasgow) (Lab):** I applaud the Government's work in creating the climate challenge fund. How much of the fund will be spent on plugging the gap that was created by the cuts to the active travel budget?

**Stewart Stevenson:** The climate challenge fund is about innovation and projects, so it is important that we focus on that. The example that was given in the original question is an example of real innovation. I cannot anticipate what the independent panel will recommend to ministers, but that sounds like the kind of project that should be pursued.

**The Presiding Officer:** Question 5, in the name of Patricia Ferguson, has been withdrawn. The member has provided an explanation.

### Food and Drink Sector

**6. Bob Doris (Glasgow) (SNP):** To ask the Scottish Government what action it is taking to promote the food and drink sector. (S4O-00994)

**The Cabinet Secretary for Rural Affairs and the Environment (Richard Lochhead):** The Scottish Government works with a range of public and private sector partners to promote and invest in the food and drink sector, and our success is reflected in the latest figures, which show that, since 2007, there has been an increase in food exports of 62 per cent and a 50 per cent increase in whisky exports. Retail sales of Scottish brands in these islands have also increased by one third since 2007. Further good news is that the food and drink industry has reached £11.9 billion turnover, which is 95 per cent of the target of £12.5 billion that the industry set for 2017.

**Bob Doris:** I am pleased that the Scottish food and drink sector is in a strong position. Does the cabinet secretary agree that the 2014 Glasgow Commonwealth games will give us a prime opportunity to showcase Scottish produce internationally? What steps are being taken to ensure that producers and other businesses in Glasgow and right across Scotland can make the best use of the 2014 Commonwealth games to further boost the sector?

**Richard Lochhead:** Of course, 2014 will be a very important year for Scotland, not least because the Commonwealth games will offer a fantastic platform for showcasing Scotland's larder, so the member has raised a good issue. I assure him that the industry-led body, Scotland Food and Drink, which is supported by the Government, is closely involved with the organisers of the games, as are other Scottish Government agencies. There is a lot of activity on this issue. We do not want to miss the opportunity. Indeed, a few days ago, I saw some good press coverage of the organisers talking about their ambitious plans for promoting Scottish food and drink at the games. I am happy to drop the member a note to bring him up to date on that.

**Margaret McDougall (West Scotland) (Lab):** Given the high number of people who are currently in food poverty, what is the Government doing to ensure that, where possible, people can access locally produced food? What more will he do to ensure that the Government not only promotes our food and drink industry internationally, but promotes locally sourced, affordable food at home?

**Richard Lochhead:** The member has raised another good issue. The purpose of Scotland's first national food and drink policy that brought together all the different agendas was also to ensure that we took food poverty and community

initiatives in Scotland into account. A number of community food initiatives in Scotland are supported through the climate challenge fund, which was the subject of a previous question, and by other means as well, and we are keen to increase our support to community initiatives that get into some of the more vulnerable parts of Scottish society. I am aware of such initiatives in my constituency as well as in the rest of the country, so I assure the member that we will continue to support them.

### Rural Parliament

**7. Adam Ingram (Carrick, Cumnock and Doon Valley) (SNP):** To ask the Scottish Government what progress has been made to establish a rural parliament. (S4O-00995)

**The Cabinet Secretary for Rural Affairs and the Environment (Richard Lochhead):** Late last year, the Scottish Government commissioned research to carry out a study of existing rural Parliaments in Europe and, earlier this year, we hosted a stakeholder discussion on the creation of a rural Parliament for Scotland. That work will culminate in a seminar on 29 May in which representatives from across rural Scotland will hear directly from European rural Parliaments, and then discuss and agree the potential next steps towards a rural Parliament for Scotland.

**Adam Ingram:** Will the cabinet secretary outline the opportunities that the establishment of a rural Parliament will offer to rural communities across Scotland, particularly in my constituency of Carrick, Cumnock and Doon Valley?

**Richard Lochhead:** If we decide to proceed with a rural Parliament for Scotland and gain the benefits that other countries appear to have enjoyed from their rural Parliaments, that will help rural communities in the member's constituency and elsewhere in Scotland to have more of a voice and influence over Government policy. That is not a criticism of the existing arrangements, but if there are additional added-value initiatives that other countries have taken forward and which we can take forward to give rural Scotland more influence, we should investigate whether that is appropriate for Scotland.

I am excited about the potential of a rural Parliament, but we may want to do things in a different way in this country compared with how other countries have pursued matters. If we want to proceed with a rural Parliament, we must take the best of what is happening elsewhere and turn it into a Scottish version.

**Claire Baker (Mid Scotland and Fife) (Lab):** What challenges in establishing a rural Parliament were identified in the stakeholders' meeting on 6 May? Several recognised rural stakeholders were

involved in that meeting, but there were no trade union representatives. Will the cabinet secretary give an assurance that the seminar on 29 May will be fully inclusive?

**Richard Lochhead:** Many lessons came out of that meeting, but one that sticks in my mind is the need to ensure that, should we proceed with a rural Parliament, our rural communities and stakeholders feel a sense of ownership of it. That is an important message for Governments and politicians of all parties, and we will certainly take it on board.

On the representation at that meeting and at future events, it is clearly always a challenge to ensure that all stakeholders have a voice around the table, and I will certainly take on board any concerns that our trade union movement has. We have to ensure, of course, that not only the usual suspects, but ordinary people from rural Scotland have a say in how we move forward. We have to strike a balance.

**Water Environment (Controlled Activities)  
Scotland Regulations 2011  
(General Binding Rule 18)**

**8. Alison McInnes (North East Scotland) (LD):** To ask the Scottish Executive what assessment it has made of the impact that proposed amendments to the Water Environment (Controlled Activities) Scotland Regulations 2011 will have on farmers in the north-east of Scotland. (S4O-00996)

**The Cabinet Secretary for Rural Affairs and the Environment (Richard Lochhead):** It is estimated that there will be little impact on farmers. A recent James Hutton Institute analysis of agriculture and slopes, for example, shows that only 2 per cent of cereal crops are grown on slopes of over 12 per cent. That percentage relates to all land; the figure for those slopes around watercourses will be much less than 2 per cent, of course. The report contains a detailed example of an area of north-east Scotland and is available for the member and others to see in the Scottish Parliament information centre.

**Alison McInnes:** There has been a lot of disquiet in the north-east in relation to the draft of general binding rule 18. Will Mr Lochhead confirm that the wording that is currently in the consultation will definitely be changed in the final regulation to take account of various risk factors, so that the rule cannot be interpreted by anyone as a blanket ban on spreading fertilisers on slopes of over 12 degrees?

**Richard Lochhead:** As the member will no doubt be aware, the Scottish Government recently met the National Farmers Union of Scotland and put its mind at ease on the potential impact of the

wording of the regulations. However, we are reflecting on the comments that we have received in the consultation, and we will ensure that they are taken on board.

I trust that all members agree that we must protect Scotland's watercourses from substances such as fertilisers for the sake of the environment, and I know that many farmers support that. We have to strike a balance, but we will ensure that the approach is proportionate.

**Water Environment (Controlled Activities)  
Scotland Regulations 2011  
(General Binding Rule 18)**

**9. Alex Fergusson (Galloway and West Dumfries) (Con):** My question follows neatly on from the previous one.

To ask the Scottish Executive whether it plans to review its proposal on general binding rule 18, which would prevent fertiliser and pesticides being applied to land with a slope greater than 12 degrees. (S4O-00997)

**The Cabinet Secretary for Rural Affairs and the Environment (Richard Lochhead):** As I said previously—I am sure that the member listened intently to what I said—we have clarified the proposals on spreading on slopes with the National Farmers Union of Scotland, and it is content that the final drafting will be consistent with existing cross-compliance legislation. As I said, consideration will also be given to all the consultation responses before any final proposals are taken forward.

**The Presiding Officer:** Do you have a supplementary question, Mr Fergusson?

**Alex Fergusson:** Oh yes, indeed I do, Presiding Officer.

I am grateful to the cabinet secretary for the two responses that he has given to the question, but the fact remains that the only mention of 12 degree slopes in guidelines throughout the United Kingdom relates to nitrate vulnerable zones. Neither the Welsh Assembly Government, the Northern Ireland Executive nor the UK Government intend to alter their general binding rules, as they do not believe that there is any need or requirement to do so.

It appears that the Scottish Government is alone in believing that the wording in GBRs must be the same as that for NVZs. Will that not, in effect, turn the whole of Scotland into a nitrate vulnerable zone? Is that not an example of gold plating European regulations? Will the cabinet secretary admit that the Government has made a huge drafting error and will he undertake to scrap the changes to the relevant paragraphs of GBR 18?

**Richard Lochhead:** I counted four different soundbites in the member's supplementary question. No doubt they will appear in some worthy local newspapers in Scotland.

We must keep the matter in perspective and be proportionate about it. We have said that we will consider closely the consultation responses that we receive. The purpose of the recent consultation was to bring one part of Scottish legislation into line with other parts of legislation that have come from Europe. It should not place any disproportionate burden on Scotland's farmers.

## Government Growth Strategy

**The Presiding Officer (Tricia Marwick):** The next item of business is a debate on motion S4M-02808, in the name of John Swinney, on the Scottish Government's growth strategy.

14:56

**The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney):** I am grateful for the opportunity to open the debate on our actions to support growth in the Scottish economy. My remarks will centre on the support that we make available for business and on the importance of Scotland as a location for international investment and a home for ambitious export companies.

With a fragile recovery predicted in the United Kingdom and Europe this year and next, it is vital that we grow our exposure to international markets. The debate is all the more pertinent in the light of recent, emerging United Kingdom data. When we last debated the economy in February, I maintained that trends and poor forecasts highlighted the inherent weakness in the UK Government's economic strategy, with too much emphasis being placed on austerity and not enough on promoting growth. That is why we have continued to press the UK Government to make provision for the shovel-ready projects that we have suggested to stimulate further economic activity.

Our concerns about the direction of the UK economy were well stated in a joint declaration with the other devolved Administrations as far back as October 2010. Although I would like to have been mistaken in my assessment, it is now clear that the Government's concerns were well founded.

As we are all aware, with the estimated fall of 0.2 per cent in gross domestic product in the first quarter of this year, the UK is now formally in a double-dip recession. There has been some debate about the reliability of such initial estimates, but the clear message is that the UK recovery has stalled. Indeed, growth in the UK since the recession started has been the weakest in the G20 with the exception of Italy, compared to which the UK has performed only marginally better.

Estimates for quarter 1 growth in Scotland will be released in July, but recent data indicate some reasons for cautious optimism about economic recovery here. Recent manufacturing export data showed growth of 4.8 per cent in 2011 and data from Her Majesty's Revenue and Customs showed Scotland's exports in all goods increasing by 18 per cent in 2011—the largest rise of all four

United Kingdom countries. News from the retail sector has also been relatively positive, with data showing growth in the volume of retail sales of 0.6 per cent over the past year, which is faster than throughout Great Britain as a whole. The purchasing managers index for March indicated private sector growth for the 15th consecutive month and at the fastest rate for 12 months.

On the ground, the Scottish Chambers of Commerce reacted to the latest UK GDP figures by sharing its reflections on the state of the Scottish economy. It said:

"We suspect that the Scottish economy has not suffered in the way that the rest of the UK has suffered and we are optimistic that the official Scottish GDP figures for the first quarter ... may reveal a more positive situation north of the Border."

As I said, those data will be clear later in the year.

By far the most encouraging development has been the improvement in the labour market, with unemployment falling and employment rising over the three months to February. Unemployment is still unacceptably high at 8.1 per cent but it is, once again, lower than in the United Kingdom. We also have higher employment and lower inactivity than the United Kingdom as a whole. However, our ability to generate a sustained reduction in unemployment depends on securing a robust pick-up in the wider economy. That is why we continue to use every lever that is available to us to respond effectively to challenges.

Contrary to the headlines, therefore, there are positive developments in the Scottish economy. Instead of discussing recession, I hope that in Scotland we can move the focus on to delivering a strong recovery. Our Government economic strategy recognises the need for continued action to accelerate the recovery and to identify our priorities for delivering sustainable economic growth, boosting employment and tackling inequality in the longer term.

Scotland's businesses and entrepreneurs are the primary drivers of growth and our role is to help to create the best possible environment for them to flourish. Small businesses, in particular, are the lifeblood of communities. They account for around 98 per cent of all enterprises in Scotland and 41 per cent of private sector employment. The Government takes forward a range of measures to support the development of companies. However, in order to grow such businesses, we are keen to work in partnership with the private sector.

The First Minister visited an excellent example of that co-operation at the Entrepreneurial Spark facility at City Refrigeration in Glasgow, where emerging entrepreneurs come together to develop new business ideas and to share information about their inventions and ambitions. The early

indications are that that is a very successful approach to entrepreneurial development. I commend the initiative and look forward to formally opening the second Entrepreneurial Spark facility in Scotland in Ayrshire in June.

We are committed to maintaining and further developing a supportive business environment, with a particular focus on growth markets, growth sectors and growth companies. That includes ensuring that companies in Scotland have access to public sector procurement opportunities through Public Contracts Scotland.

A key aspect of our strategy is to improve Scotland's links with the global economy. Although the economic downturn has created a range of challenges, there is also a range of exciting new opportunities. For example, the economy of the United States, which is an important export market, appears to be gaining momentum, and emerging markets continue to grow robustly. In 2012, the International Monetary Fund forecast growth of more than 8 per cent in China, around 7 per cent in India and more than 4 per cent in the middle east and north Africa. In all those markets, we focus our activities to support development opportunities for companies in Scotland.

Aligning investment towards export promotion is essential and we have an excellent product to sell. Scotland is a brand that is known around the world and we take every step to capitalise on that brand. To encourage Scottish companies to capitalise on export opportunities, our economic strategy established an ambitious target for Scottish businesses to deliver a 50 per cent increase in the value of international exports by 2017. That ambition is shared by industry. At a recent meeting that I attended with the chairs of all the industry sectors in Scotland, there was a general consensus that increasing exports is critical to achieving growth in the companies sector and improving productivity and competitiveness.

There is cohesion between public sector objectives and private sector ambitions around the objective of increasing exports by 50 per cent by 2017. Although that target is ambitious given historical performance—there has been 13 per cent export growth in the past six years—our target is helping to create focus, dynamism and development prospects in existing exporting companies and to encourage other companies to be active. To ensure that we fulfil the objective, we are widening our export support to encourage more growth companies to become active exporters.

Our enterprise agencies and Scottish Development International are focused on encouraging and enabling Scottish companies to export to new and emerging markets. For example, SDI is working with partners to help

between 8,000 and 10,000 more businesses develop the skills to go international in their business activity by 2015 and our export support initiative delivers advice and support to small and medium-sized enterprises with significant export potential. In addition, in February we launched the export from Scotland initiative, which provides guidance to Scottish companies on exporting and growing their international business activity.

As well as focusing on overseas markets to boost our exports, our strategy also sets out a range of measures to ensure that Scotland attracts international investment. The recent introduction of four enterprise areas will offer companies a range of incentives to help the areas to realise their potential by boosting economic growth and creating jobs and will also ensure that Scotland remains the most attractive place in the UK for international investment.

To complement that activity, SDI launched a campaign last month to attract 200 FTSE companies to Scotland, to spread the message that Scotland is open for business and to highlight that the costs of some functions are almost a third lower than in other parts of the UK. We are also working alongside our enterprise agencies and SDI on actively seeking new opportunities to attract investment from international companies. Over the five years to 2010-11, the agencies' efforts attracted inward investment projects that led to 32,900 planned jobs.

The Government's economic strategy focuses on a number of key sectors, but I want first to highlight the achievements that have been made in the energy sector and then look at further developments that might emerge in other areas. As Scotland has not only 25 per cent of Europe's wind and tidal resource but world-renowned expertise in offshore engineering, international firms are increasingly interested in the opportunities that we are developing to support the renewables sector and many are choosing to locate here. For example, in March, Gamesa announced that its new UK plant will be sited in Leith, creating around 800 new jobs with investment of up to €150 million. In January, Samsung Heavy Industries announced that it will develop its offshore wind technology in Fife. Its 7MW wind turbine prototype will be one of the largest in the world and is the company's first European offshore wind project. Despite Doosan Power Systems's decision not to pursue opportunities in the offshore wind market due to the position in the euro zone, my visit to the company last month reaffirmed its interest in low-carbon activity in Scotland.

**Claudia Beamish (South Scotland) (Lab):** How will local communities be involved in those

exciting new offshore wind initiatives, particularly with regard to transferable skills?

**John Swinney:** With that question, Claudia Beamish opens up a substantial part of the debate. An essential product of our focus on renewables will be the significant increase in demand for skills in all parts of Scotland. Although the initial phase of this activity centres on the east coast of Scotland, it will gravitate to the west of Scotland and, in order to service certain projects such as the Leith and Fife ventures, we will be required to create a new engineering skills base. In that respect, we will have an opportunity through effective partnerships in various localities to ensure that we motivate and train individuals to be part of these sectors. I must compliment many public sector organisations, such as colleges, on their positive response to the challenge and on the way in which they have amended their own provision to meet the demand that is being created by some of these investors.

There will, of course, be other knock-on opportunities in the supply chain. For example, as a result of the Samsung venture, one of the companies owned by the prestigious Scottish company Clyde Blowers, David Brown Gear Systems, will be supplying gearbox systems for Samsung's next-generation offshore wind turbines. That shows that opportunities will emerge in localities that are not necessarily in the immediate vicinity of these wind developments.

To promote the Scottish economy, the Government has embarked on a sustained programme of international contacts. Recently, the First Minister and Mr Lochhead completed a series of visits in the middle east to promote the food and drink sector. As I have said, I visited Japan and South Korea in April and the First Minister has also visited China. Some of the fruits of those visits are emerging. For example, in January 2011, we brokered an agreement with the Chinese Government to allow exports of fresh Scottish salmon to the country and, just nine months later, exports to China had reached almost £20 million. It is clear that this activity is having some positive knock-on effects.

Alongside the food and drink and renewables sectors, the tourism sector is now preparing for 2012 to 2014—or what have been characterised as the winning years—with exciting developments around the Disney Pixar film "Brave", the Commonwealth games, the Ryder cup and the year of homecoming.

In life sciences, GlaxoSmithKline has announced investment in Scotland coupled with partnerships with our universities and work to boost the research capability in Scotland.

Those are all indications that the focus in the Government's economic strategy is correctly positioned to maximise our opportunities. We are utilising every possible opportunity to strengthen the economic recovery in Scotland, and we will continue to do so. The Government looks forward to acquiring the further powers and responsibilities that will enable us to do that to even greater effect in the years to come.

I move,

That the Parliament supports the Scottish Government's approach to accelerating recovery, supporting long-term sustainable economic growth and boosting employment, as set out in the *Government Economic Strategy*, including the focus on growth sectors and growth markets; notes the UK's double-dip recession and, in light of this, recognises the alternative approach pursued by the Scottish Government and its calls for an urgent economic stimulus from the UK Government in the form of shovel-ready projects; notes the focus of the Scottish Government and its agencies, Scottish Development International, Scottish Enterprise and Highlands and Islands Enterprise in boosting international exports and securing international investment; recognises that growth sectors including food and drink, tourism, finance, life sciences, energy and low-carbon industries are performing well; welcomes the further actions that the Scottish Government is taking to ensure that Scotland continues to increase its international presence by pursuing opportunities in growing export markets and by continuing to attract substantial international inward investments.

15:10

**Ken Macintosh (Eastwood) (Lab):** Presiding Officer, I hope that you will not mind if I begin by celebrating a marvellous election result this week. I do not mean the local election results, although it has been very enjoyable to see the people of Scotland putting the First Minister's gas at a peep. I mean the election of François Hollande as the new President of France. His first message to the people of France was that there is an alternative to austerity. Speaking at the Bastille in Paris, he spoke to us here in the UK and Scotland. He said:

"In all the capitals ... there are people who, thanks to us, are hoping, are looking to us, and want to reject austerity".

He told the crowd:

"You are a movement lifting up everywhere in Europe, and perhaps the world."

C'est formidable, Monsieur le Président!

There is an alternative to austerity, and that alternative is sustainable growth. I am pleased that the Scottish Government brought this debate to the chamber. We have the opportunity to lend our voices to those echoing around Europe that not only is austerity not working, it is positively damaging our economy and society.

At the end of last month, we heard the grim news that the UK had entered recession for a second time. For the past two years, the Labour

Party and others have argued repeatedly that, unless the Tory and Lib Dem coalition changed economic tack, we would be heading for a double dip. "We told you so" does not even begin to capture the sense of frustration and despair that accompanied confirmation of that news. This week, in response to the developing political and economic situation, the Prime Minister and his deputy travelled all the way to Essex to renew their austerity vows. I did not know whether to laugh or cry.

Today, it would have been good to be able to speak with one voice from the Parliament about the political and economic direction that we want the country to take. It would have been good to be able to join the Scottish National Party and those around Europe who are clamouring against the wrong-headedness of punishing working people, families and pensioners with an austerity programme that is simply failing to deliver. Unfortunately, instead of reaching such an understanding, the SNP has lodged yet another self-congratulatory and, frankly, self-delusional motion about its supposedly distinctive alternative set of economic policies.

**Kevin Stewart (Aberdeen Central) (SNP):** "Delusional" is a good word to describe the Labour Party on this issue. The five-point plan for growth that it published in November contains only one area of policy that is devolved to the Scottish Parliament. Surely if the Labour Party wants to end austerity and get back on the right track, it must agree with the SNP that the best way to do that is to have all the reins of power in the Scottish Parliament.

**Ken Macintosh:** What a fantastic contribution from Mr Stewart. He has the good fortune of hearing me open and close in today's debate and I will certainly return to some of the many policies that we could pursue to encourage growth, including using procurement and wage subsidies.

First, I will look at what the Scottish Government is actually doing as opposed to what it says that it is doing and we will see whether it can back up its assertions about focusing on jobs and growth. Economic commentators are certainly clear about where the evidence points. Professor David Bell, an adviser to the Parliament's Finance Committee, pointed out that the average difference in unemployment rates between Scotland and the UK during the recession has been only 0.4 per cent. He therefore concludes that the SNP has not driven any massive differences in labour market outcomes north of the border since the beginning of the recession.

Professor Bell is not the only one, of course. The same point was also made by Professors Peat and Armstrong, and backed up by the Centre for Public Policy for Regions, which stated:

“Overall, the different approaches taken by the Scottish and UK governments thus far appear to have made little difference to the economic outcomes. The deterioration in both GDP and the labour market have been on a similar scale in both Scotland and the UK.”

The Scottish economy, for all intents and purposes, is in exactly the same unhappy position as the wider UK economy. One can only conclude, therefore, either that the Scottish Government is not delivering on its promises, or that its policies are not working.

One example is the policy to support enterprise zones in Scotland. When the cabinet secretary was asked by one of his own back benchers how many jobs the new enterprise areas would create, he was forced to admit that he could not quantify that number. That is not exactly the response that I would expect from a Scottish Government that is truly putting employment first.

What about the public health levy—the so-called Tesco tax? The minister has not even apologised for not carrying out a business or employment impact assessment for that.

As my colleague Michael McMahon pointed out only yesterday, and as the Scottish Trades Union Congress and others have repeatedly flagged up, there is no evidence whatsoever that the small business bonus scheme has improved employment levels or helped small businesses to grow. In fact, it appears from the STUC's comparison that small businesses in Scotland have not done as well as those elsewhere in the UK.

**John Swinney:** Mr Macintosh opens up some fascinating territory. In his last two sentences, he said that he wants to relieve highly profitable supermarkets of a contribution to our preventative spending agenda, and to punish small businesses because he thinks that they do not contribute enough to the Scottish economy. If I may give Mr Macintosh some advice, that is a rather reckless contribution to the Scottish economy.

**Ken Macintosh:** Mr Swinney does not seem to have been listening very closely. I was illuminating the difference between his far-fetched claims and assertions, and the evidence of what the Scottish Government is doing and what is happening.

Ministers constantly rush—as Mr Swinney just did—to point out the popularity of the rates relief scheme for small businesses, but that says it all. The SNP is concerned about the popularity of the scheme, not about whether it is working or making a difference to employment or growth as the Government claims.

**Mark McDonald (North East Scotland) (SNP):** Mr Macintosh surely cannot have missed the successive comments from the Federation of Small Businesses, which has highlighted the

importance of the small business bonus scheme in keeping many small businesses afloat and helping them through the recession.

**Ken Macintosh:** Again, Mr McDonald is not listening to what I am saying. The Scottish Government constantly claims that it puts employment and the pursuit of growth at the top of its agenda. That is what the debate is about. However, there is no evidence—either from the Federation of Small Businesses or from anyone else—that growth or employment has been achieved because of that policy. Yes, it is popular, but that is not the same thing.

The pursuit of popular policies is called populism, and that is the trouble with the SNP. It is populist, not progressive, and it does not believe in economic growth. It is pursuing not economic growth but popularity, which is not the same thing.

The sector that is most often linked to growth—

**The Minister for Energy, Enterprise and Tourism (Fergus Ewing):** Does Mr Macintosh favour scrapping the small business bonus scheme?

**Ken Macintosh:** I certainly do not favour scrapping it.

**Members:** Oh!

**Ken Macintosh:** I do not see why the SNP should feign surprise at that. Why would one wish to take so much money out of a key part of our economy? I am asking what we are getting in return for that policy. Could that money be better used? Could it be applied better? That is the key. Could it achieve growth or increase employment? It is not doing so at present, and the SNP should not try to claim otherwise.

The sector that is most often linked to growth in the economy is construction, yet all the Scottish Government's talk about shovel-ready projects masks the fact that the construction sector has lost 30,000 jobs in the past year, which is a reduction of more than 15 per cent. That compares to less than 2 per cent in England and 0.5 per cent—

**The Deputy Presiding Officer (John Scott):** I regret to say that I must ask you to close.

**Ken Macintosh:** Despite all those interventions, Presiding Officer?

**The Deputy Presiding Officer:** You can have another 30 seconds.

**Ken Macintosh:** Very well.

I am not trying to blame the downturn on the Scottish Government, but I expect ministers to take responsibility for their decisions. Need I remind the minister that his election manifesto promised, for example, 6,000 social rented houses

per year, not 6,000 affordable homes, as it has been rewritten. Instead, the Government is withdrawing £100 million from the housing budget, which is money that could boost construction and grow the economy.

I move amendment S4M-02808.3, to leave out from “supports” to end and insert:

“believes that the UK Government’s austerity programme has failed, given that the UK economy has shrunk yet again despite repeated warnings to change course to avoid a double-dip recession; agrees that both the Scottish and UK governments need to pursue policies that will promote sustainable growth, secure employment and lead to a low-carbon economy, but fails to see how the SNP administration’s actions in cutting the housing budget by more than £100 million are consistent with pursuing shovel-ready projects; is dismayed that, in the face of 100,000 unemployed young people, the Scottish Government has seen fit to cut funding to colleges by more than 20%, following on from last year’s cut of more than 10%, and further calls for an urgent change of policy on procurement to prevent contracts such as the Forth Replacement Crossing being awarded to China, particularly at a time when Lanarkshire’s steel mills lie underused.”

15:20

**Gavin Brown (Lothian) (Con):** There has been much talk in the chamber today, at First Minister’s question time and earlier in this debate, about the elections last week in Scotland and in France, but we have not yet heard any mention of the most critical, or I should say the most worrying, election that took place last week from an economic point of view, which was the one in Greece. The results of that election led to the elimination of the parties that signed up to the deal with the European Union, which could put the country back at the brink. This morning, we heard news of £1 billion of funding being withheld. On the BBC website, we read comments from Stephanie Flanders, the economic correspondent, who said:

“you have to say the chances of a messy Greek exit are higher than they were a few months ago. And, let’s face it, they were pretty high then.”

The Scottish Parliament and Government must watch events across Europe carefully, particularly those that are starting in Greece and those that will lead to pretty significant announcements in Spain tomorrow.

The Conservatives welcomed the reductions in unemployment in Scotland and the UK in the last quarter. The acceleration in the reduction in Scotland led to the figure being lower here than it is in the UK—as we heard, it is 8.1 per cent here compared to 8.3 per cent in the UK. However, we cannot get even remotely complacent about that statistic, and the cabinet secretary rightly said that the figure is still far too high. However, it was deeply concerning to read earlier this week about a report from the respected organisation the Centre for Economics and Business Research,

whose regrettable prediction is that unemployment in Scotland will be higher than that in the rest of the UK at the end of the year. The prediction, which I certainly hope is wrong, is that the figure could remain higher until 2016. Although it was right to welcome the reductions, we must keep our eyes firmly on the ball and we cannot have a shred of complacency from any party in the chamber.

I want to discuss some of the things that the Scottish Government has done. As the cabinet secretary outlined fairly eloquently in his speech, the Government has done some good work. Certainly, the Conservatives would not deny that some very good work has been done. We approve whole-heartedly of the small business bonus—we pushed for it to be accelerated when it was first introduced. We think that the appointment of a Minister for Youth Employment is a positive move and we support it. We think that the focus on exports is absolutely correct. Although we did not support the recent budget as a whole, I certainly approved of the increase in funding for Scottish Development International, which was a critical measure.

It was good to hear good news on exports. Of course, we must be nervous about that, too. Although we have had success, and although we do not really compete on price as a country and therefore have to compete on quality, the move of sterling against the euro and the dollar in the past couple of months is a cause for concern. Sterling is now 3 per cent higher on a trade-weighted basis against the euro than it was in February and it is projected to continue in that direction, because we are seen as a safe haven.

There are positive points, but my critique of the Scottish Government is that it is not using every lever at its disposal to try to move the economy forward. That is the yardstick by which the Government has asked to be judged. In my view, as we have said already, the cuts to college funding were definitely a step backwards at a time when youth unemployment is so high. At a time when the construction industry is struggling hard in Scotland, the cuts to the housing sector, which were addressed in the budget debate, were a mistake. As I said at length in the chamber, I feel that the retail levy, which makes Scottish retailers less competitive than those in the rest of the UK, was a backward step that sent out the wrong signal.

**John Mason (Glasgow Shettleston) (SNP):** Where would the money that the member wants to put into colleges and housing come from?

**Gavin Brown:** For the best part of a decade, we have been up front about the fact that we would, for example, take Scottish Water out of public ownership, which would save about £100 million a

year or more in capital funding. The capital part of the college sector would be covered by that, as would housing, which, by its nature, entirely involves capital funding. That is just one example. We have given others, but that is one that gives a pretty strong answer to the member's question.

**John Swinney:** Following Mr Mason's intervention, Gavin Brown has argued for capital funding for housing, and I can see his argument, but college funding is resource funding, and he has not told us where that money would come from. The retail levy is resource funding, so that does not provide us with an answer either. Using Mr Brown's numbers, my calculations suggest that he is still something like £70 million adrift. It would be helpful to have an answer to the question of where the money would come from.

**Gavin Brown:** In our manifesto last year, we said that we would change the criteria for concessionary travel, which we felt would save about £40 million a year. We never proposed to bring in free prescriptions, and we could probably save £37 million a year in that regard. We have given some pretty clear numbers all the way through the debate, and have not shied away from the difficult decisions, unlike the Scottish National Party.

One of the points that concern me the most is that, having brought in a tax—the retail levy—that will make us less competitive than the rest of the UK, the Scottish Government now wants to bring in another one. It wants to bring in an end to empty property rates relief—almost an end; it will be set at 10 per cent. It proposes to bring in that measure without any form of impact assessment or consultation whatsoever. The measure has not proved to be successful elsewhere—indeed, the Welsh Government is reviewing the policy as we speak, and its consultation made it extremely clear that the measure had not been successful. Further, not even the Government's documents estimate that it will put any properties back on the market. Last week, the First Minister claimed that the measure would put 5,500 properties back on the market but, if he had read his bill and his Government's documents, he would have realised that 5,500 is the number of properties that would be due to pay the tax, not the number that would come back on to the market. For those reasons, we do not think that the Government is using every lever at its disposal.

I move amendment S4M-02808.2, to leave out from "supports" to end and insert:

"believes that the Scottish Government's actions do not back up its claim to be prioritising long-term sustainable economic growth for Scotland; regrets the Scottish Government's decision to cut college funding at a time of high youth unemployment; regrets the Scottish Government's decision to cut spending on housing at a time when construction faces a very difficult time; believes

that introducing a £95 million raid on Scottish retailers at a time when retail in Scotland is struggling is mistaken; calls on the Scottish Government to rethink its proposal to reduce substantially empty property rates relief, which will act as another brake on growth; welcomes measures taken by the UK Government, including the additional cut in corporation tax, which will mean that, by April 2014, the UK will have a 22% corporation tax rate; welcomes the £20 billion National Loans Guarantee Scheme to get cheaper loans to businesses; welcomes the £1 billion youth contract, which will provide 40,000 work places in Scotland, and welcomes the recent announcement to locate the corporate headquarters of the Green Investment Bank in Edinburgh."

**The Deputy Presiding Officer:** We now come to the open debate.

15:28

**Annabelle Ewing (Mid Scotland and Fife) (SNP):** I am pleased to have been called to speak in this important debate. As we have heard, the SNP Scottish Government is absolutely committed to driving forward sustainable economic growth in our country and to promoting investment and jobs. The Government's economic strategy is, as we know, underpinned by a number of strategic priorities. One key element is the establishment of a supportive environment for business. Indeed, as far as small business is concerned, we have seen the introduction of the small business bonus scheme, which, having heard the debate earlier involving the Labour front bencher, I would say has been an absolute lifeline for small businesses in these difficult times—more than 80,000 small businesses across Scotland have benefited from that flagship policy, which was launched by the SNP Government. For many small businesses, it has made the difference between being able to stay open for business and continue to employ people and having to close.

**Ken Macintosh rose—**

**Annabelle Ewing:** I have absolutely no idea how Mr Macintosh can take a contrary view, but I see that he wants to attempt to explain his confused position.

**Ken Macintosh:** Does Mrs Ewing believe that the policy has increased growth or improved employment?

**Annabelle Ewing:** I thank Mr Macintosh for his intervention, but I do not think that it helps to make his position clear. What I have said and what is very clear to small businesses throughout Scotland is that for many of them the rates relief scheme has made the difference to their ability to stay open and continue to employ their staff. In itself, that contributes to growth in our economy.

Not only the small business sector has benefited from the Scottish Government's actions, because the Government has committed to investing in

growth sectors and opening up key international markets to Scottish companies, as the cabinet secretary said in his opening remarks. We can see the results of such activity in our tourism industry, our extremely successful food and drink industry and in our life sciences industry, to name but three. All three of those industries are major success stories for Scotland and we should be proud of all the hard work that has been done to secure continued growth in those sectors.

In preparing for the debate, I came across many statistics, but one that was particularly interesting and stuck in my mind was a figure that the Scotch Whisky Association provided that pointed out that Scotch whisky exports now contribute more than £134 per second to the United Kingdom balance of trade, which is indeed a staggering statistic. Earlier, during rural affairs and the environment question time, we heard about the importance of the food and drink industry and about the success story in relation to increasing exports, at just under £12 billion at this point. At the same time, we see the continuing success of Scottish Development International and others in attracting new investment and jobs to Scotland.

**Gavin Brown:** The member just quoted a figure from the Scotch Whisky Association and referred to the whisky industry's great export results. What is her analysis of the SWA's report on the effect that minimum unit pricing will have on whisky exports?

**Annabelle Ewing:** I thought that the member now supported minimum unit pricing, but perhaps he is taking a different position from the rest of his group. In the years to come, we will continue to see the whisky industry's concern about the punitive rate of excise duty that the member's Government in London imposes on a key industry.

On where we are in securing investment for Scotland, the cabinet secretary referred to Gamesa's hugely significant decision to come to Leith. There was a lot of competition for that investment, but Gamesa chose Scotland. What a vote of confidence in Scotland, particularly at this time. Of course, that followed Samsung's equally important decision to invest in Fife. At First Minister's question time today, we heard about BASF's important decision to invest in the Western Isles and bring jobs there. As the cabinet secretary said, the position is not by any means all doom and gloom.

We could of course do more if we had the powers and were not operating with one hand tied behind our back. For example, the construction industry is crying out for further capital investment. We proposed 36 shovel-ready projects that could be started now, which would require about £300 million of capital advance and would create about 4,000 jobs, and what did we see about it from the

London Government in the Queen's speech yesterday? Absolutely nothing. That is a scandal. It shows that if decisions are taken about our economic life outside our country and we have no say in decisions on resources, we will not realise the potential that we could had we the powers of a normal independent country. If key decisions—for example, on the VAT rate on tourism and our fuel taxes, which are the highest in Europe—are taken outwith Scotland and we have no say over them, we do not reap the best dividend. The sooner that Scotland reclaims all the powers that we need to promote growth in our country, the better for our economy.

15:34

**Malcolm Chisholm (Edinburgh Northern and Leith) (Lab):** I welcome this debate and note that all political parties here and in London are now talking about the need for growth. However, there is no use talking about the need for growth if particular Governments are imposing policies that impede it. I shall talk first about the UK Government, because its actions still have a massive influence on what happens in Scotland.

The UK Government's focus has been the causes of the deficit. A lot of political capital is still being made by the UK Government and the Scottish Government out of that subject, with the last Labour Government getting the blame. It is important to state from the outset that it was not fiscal laxity that caused the crisis. The budget deficit that so many people are worried about is the result of the financial crisis, not the cause of it. If the Tories or, indeed, the SNP doubt that, I remind both parties that they agreed entirely with Labour's spending limits before 2008. In fact, I seem to remember the SNP wanting far more spending than Labour was carrying out.

More fundamentally, we must look at the consequences of trying to reduce the deficit—or aiming to reduce it too fast, because that is what we are basically living with now at a UK level. Many commentators who are not particularly on the Labour side of the political divide are now saying that the Government in London has fundamentally got that wrong and that it is implementing policies that are counterproductive from the point of view of reducing the deficit and bringing about growth.

Just yesterday, I was struck by the assertion by a Tory former adviser to Norman Lamont, when he was chancellor, that the UK Government's fundamental mistake was to try to reduce the deficit too fast before growth had been achieved. He contrasted that with what happened in the 1990s.

I was struck also by the words of Martin Wolf in the *Financial Times* yesterday, when he said:

“Fiscal tightening does not improve outcomes in shrinking economies. Thus, austerity is merely begetting more austerity.”

I note that the managing director of the IMF, and the April review of the National Institute of Economic and Social Research, both carry a similar message, which is that all the budget cutting is merely leading to increased deficits and less growth. There is a strong body of opinion now, not particularly on the left of politics, that the UK Government has got it wrong. We are living with the consequence of that in Scotland.

At UK level, the Labour Opposition is showing the way with its emphasis on reducing VAT, bringing forward infrastructure investment—especially in housing—and having a well-thought-out and costed jobs plan. That is the model that we need in Scotland, too.

Turning to the Scottish Government—

**Gavin Brown:** Will the member give way?

**Malcolm Chisholm:** I am exactly halfway through my speech but I had better give way since I have been criticising the Conservative Government.

**Gavin Brown:** I am very grateful.

The member wants to reduce VAT. To reduce it to, say, 17.5 per cent would cost about £12 billion. Does he think that that money should be recouped through an increase in tax or an increase in borrowing?

**Malcolm Chisholm:** The member completely fails to understand the basis of my argument. One of the fundamental problems is lack of demand in the economy. If we can reduce tax in a targeted way and boost growth, that will help the deficit in the long run. In a sense, the member's intervention encapsulates what is wrong with Conservative, and indeed the coalition Government's, thinking at Westminster.

I welcome much of what the cabinet secretary said about renewable energy in general and Gamesa in Leith in particular. However, where is the Scottish Government's comprehensive jobs plan? Where is the Scottish Government's action on the most important infrastructure element of job creation, which is housing? Where is the Scottish Government's action on procurement?

To deal briefly with those three topics, we are all concerned that the projection for Scottish unemployment is that it will rise for the next four years. Gavin Brown mentioned the projection that unemployment in Scotland will be beyond the UK level by the end of the year. We desperately need a finalised strategy, particularly for youth

employment. I welcome the fact that a dedicated minister has been appointed for youth unemployment, but the finalised strategy is nowhere in sight, notwithstanding a number of smaller announcements in that area.

In housing, we welcome the increases late in the budget process. However, from the Scottish Government's point of view, the simplest way of bringing about a big jobs boost would be to put more money into housing. As Ken Macintosh mentioned, 30,000 construction jobs have disappeared in the past year. The number of construction jobs is still falling, and housing investment would help the economy in the most effective way and would fulfil an essential social need.

Finally, where is the action on procurement? I know that a bill has been promised, perhaps for next year, but we need action now, particularly to help SMEs. We need a simplified procurement process. The business gateway needs to give advice to SMEs so that they can come together to bid for contracts. Contracts that are too large and which therefore exclude SMEs need to be disaggregated. Where disaggregation is not possible, SMEs need to have the opportunity to get subcontracts. I do not know whether I have time to quote from—

**The Deputy Presiding Officer:** You do not.

**Malcolm Chisholm:** Therefore, I conclude by merely referring briefly to the Jimmy Reid Foundation report on procurement, which indicated that the Government could implement European Union directives far more flexibly and in a way that helped SMEs and the Scottish economy in general.

15:41

**Mike MacKenzie (Highlands and Islands) (SNP):** I am pleased to speak in the debate, because few of the subjects that are debated in the chamber are as important, in these difficult times, as the Scottish Government's growth strategy. Within the limited powers that are available to it, the Scottish Government is doing its utmost to shelter Scotland from the worst effects of the Westminster Government's disastrous austerity policies—although perhaps they are not disastrous but are doing what they are designed to do, which is to deliver austerity—and is doing so with some success.

That success is remarkable, given that it comes in the face of most savage cuts to our budget, particularly our capital budget, which has been cut by 32 per cent. It is also remarkable because we lack the powers of any normal country, which means that we are constrained in what we can do. We lack the borrowing powers and the full fiscal

levers that would allow us to do much more. Evidence for that success lies in our unemployment rate, which is currently below the UK level, and our employment levels, which are higher than those for the UK.

**Gavin Brown:** Will the member give way?

**Mike MacKenzie:** Not at the moment, but I will do presently.

It also lies in the fact that, when we become independent, the Organisation for Economic Co-operation and Development would place Scotland in sixth place in its prosperity ranking, whereas the UK would be in 17th place. Our GDP per capita would be 15 per cent higher than that for the rest of the UK. More evidence for the remarkable nature of the Government's success is the fact that Scotland has been in fiscal surplus for four out of the five years to 2010, whereas the UK was in deficit for each of those years.

**Gavin Brown:** The stats that the member gave on unemployment were correct and he says that that is evidence that the Scottish Government is doing a great job. If the UK unemployment rate were lower than the Scottish rate—as it has been for most of the past year and as it is predicted to be—would that mean that the Scottish Government was doing a bad job?

**Mike MacKenzie:** Mr Brown is employing a bit of sophistry. The comparison is unequal, given that the Scottish Government lacks the powers that the UK Government has. Let us make the comparison once we are independent.

I was glad to hear what was almost some humility from Mr Brown, because it should be a matter of shame for the Tories, and the Lib Dems, that the UK economy has gone back into recession. They have been warned of that risk repeatedly, but they have ignored all the advice that they were cutting too quickly and too deeply and that if they did not produce growth, the fiscal situation would worsen in the face of a shrinking economy. It is far from the case that UK borrowings are diminishing—they are increasing—and it is far from the case that the Tories and the Lib Dems are safeguarding the UK's AAA rating; they have been warned that that, too, is under threat.

In contrast, the Scottish Government is following a path of long-understood economic wisdom: in times of recession, Governments should accelerate and increase capital spending, which they will recoup from increased taxation revenues when growth returns. Like all great truths, Keynesian economics is, at its core, very simple—in fact, it is so simple that it seems strange, to say the very least, that neither Mr Osborne nor Mr Cameron seems to understand it.

Despite the highly punitive cuts that have been made to our budget, the Scottish Government has continued, and will continue, to invest in infrastructure projects, such as the new Forth road bridge, that are creating jobs and improving infrastructure as part of the infrastructure investment plan. That plan commits £60 billion to a long-term programme of infrastructure investment up until 2030, and it is the provision of that long-term certainty that will help to secure jobs and build a platform for a more prosperous future.

We will continue to invest in housing and we will build 30,000 affordable homes during this session of Parliament. We are supporting that with £710 million of expenditure over the next three years. Before I hear the old broken record about whether that is affordable housing or social housing and what the exact definition is, I say that a house is a house is a house.

We will continue to pursue our economic opportunities in areas such as renewables, which will create at least 40,000 jobs by 2020 and many more beyond that, and we will continue to support that new and exciting industry with investment such as the £70 million national renewables infrastructure fund. If we had borrowing powers, we could do much more, investing in more infrastructure to support jobs now and improve our future prospects.

If we had taxation powers, we could do still more to increase the competitiveness of Scottish businesses.

**Ken Macintosh:** Will the member take an intervention?

**The Deputy Presiding Officer:** The member is in his last minute, Mr Macintosh. I am sorry.

**Mike MacKenzie:** I apologise to Mr Macintosh. I would have been happy to take the intervention, but the Presiding Officer must preside.

If we had taxation powers, we could cut VAT on tourism, for example, to increase the competitiveness of our tourism industry. We could cut VAT on housing and building repairs, maintenance and improvements to create jobs and improve the quality of our built environment and our housing stock.

I would dearly like to hear from those in the dependence parties exactly what their economic plan is, beyond visiting more cuts on this disunited kingdom.

15:47

**Mary Scanlon (Highlands and Islands) (Con):** We welcome another debate on the Scottish economy and, in particular, the growth strategy. As a Highlands and Islands MSP, I very much

welcome the 90 jobs that were announced today for Lewis. The Western Isles have the lowest average wage rate in Scotland and Moray has the lowest average wage rate for mainland Scotland. Against that background, the new jobs are very welcome.

It is always constructive and interesting to compare our performance against economic indicators with that of the rest of the United Kingdom, other EU countries and the G20. However, rather than focusing on what is best for Scotland and what can be learned from elsewhere, our debates on the economy tend to become nationalist and divisive, as we heard from Mike MacKenzie and Annabelle Ewing, at a time when people across Scotland do not really care whether something is a Westminster or a Scottish Government economic initiative, but just want jobs, opportunities, support to start a business, support to stay in business, training, education opportunities and an occupational health service to support staff through illness, along with other pro-business approaches.

I say to Mike MacKenzie that, when John Maynard Keynes wrote "The General Theory of Employment, Interest and Money" in 1936, he was living in very different times from those in 2012.

**Mike MacKenzie** *rose*—

**Mark McDonald** *rose*—

**Mary Scanlon:** For a start, international competition is quite different. If Mike MacKenzie wants an economics lesson, he should consider the time at which Keynes's theory was indeed exceptionally successful.

**Mark McDonald:** Mary Scanlon is right to say that the world was a very different place in 1936, when we had come through the great depression. Is she aware of the work of Paul Krugman, which shows that the recovery from the great depression was quicker than has been the recovery under the UK Government at present?

**Mary Scanlon:** I just said, I think, that the recovery in 1936, on the basis of Keynes's general theory, written in 1936—he was of course a member of the coalition Government through the war—was very different from the recovery today. Maybe the member did not hear that. I think it was fairly clear.

As joint convener of the cross-party group for Scotch whisky, I was drawn to the motion's reference to the "growth sector" of "food and drink". That sector is performing exceptionally well; indeed, I listened to what Richard Lochhead said at question time and welcome what is happening in that respect.

Nevertheless, it is worth noting that whisky accounts for 80 per cent of all Scotland's food and

drink exports. Although that is very welcome, I note that it accounts for 99 per cent of food and drink exports to Singapore, 90 per cent of such exports to the United States of America and 72 per cent of such exports to China—and before Mr Swinney jumps to his feet I should tell him that I am going to talk about salmon. Given that Scotland has products of such fabulous quality, we should examine why whisky accounts for 80 per cent of food and drink exports and perhaps focus on other opportunities. That said, last year's 23 per cent increase in whisky exports is obviously incredibly helpful to the economy.

I also welcome exports of Scottish salmon to markets in China and elsewhere and the Scottish Government's support for a sector that provides sustainable jobs in remote Highlands and Islands locations. Indeed, such developments are particularly welcome, given the reduction in demand across the European Union that Gavin Brown referred to. Whisky not only supports jobs but makes an enormous contribution to our tourism sector and has truly focused on energy efficiency and renewable energy. We should all welcome the building of new distilleries such as Ardnamurchan's Adelphi, where the creation of 10 permanent jobs will be a huge boost to the local economy; mothballed distilleries being brought back to life; and production capacity increasing at several other distilleries.

It is worth noting that over the past two years growth north of the border totalled 1.4 per cent, compared with 2.8 per cent for the whole UK. Moreover, with regard to the 0.2 per cent reduction in UK output, it should be pointed out that as we do not have the figures for Scotland we cannot make a like-for-like comparison. As John Swinney made clear, that figure will be available in July. Things could be looking good for Scotland in the first quarter of 2012, but we do not know yet.

According to the briefing provided by the Scottish Parliament information centre, average forecasts for the Scottish economy for 2012 have been revised downwards since January's economic indicators, while IMF growth forecasts for the UK have been revised upwards. There is a sharp contrast between the projections for the UK and those for Scotland.

**The Deputy Presiding Officer:** You must close, please.

**Mary Scanlon:** I am just about to, Presiding Officer.

Finally, the Scottish Government should welcome the measures that have been introduced to tackle tax evasion and avoidance, as they will not only deal with those who cheat and find ways of not paying tax but bring in more revenue.

15:53

**Mark McDonald (North East Scotland) (SNP):**

A little under 18 months ago, on 24 January 2011, an article appeared on the BBC news website stating:

“Aberdeen is the British city best-placed to grow out of the economic downturn”.

That was according to the think tank Centre for Cities and its “Cities Outlook 2011” index, which

“found that Aberdeen had the best growth prospects”.

Just two months ago, *The Herald* published the encouraging news that

“Santander is looking to further expand its presence in Scotland and is targeting growth in Aberdeen.”

According to that report, Kevin Boyd, divisional director at the bank

“was keen to boost the bank’s presence in the north-east during 2012”

and had said:

“There is a great opportunity in Aberdeen as there is still a boom there. We have been providing support from the central belt up until now but it is difficult to get into deals when we are not up there all the time ... So as well as a little bit of organic growth in the support staff for the central belt Aberdeen will be the next beachhead for us.”

That is welcome news for the north-east.

Moreover, on 26 March, a *Press and Journal* article said:

“Aberdeen was the only major city in the UK to grow its economy during the recession, according to a report published today.

The Granite City outperformed both London and Edinburgh, the heartlands of the country’s financial sector, thanks to the continued strength of the oil and gas industry.”

Supportive comment has come from Tom Smith, the chairman of Aberdeen city and shire economic future, who said:

“It is vital that both the Scottish and UK governments understand our economic significance and support us in building on this position of strength by developing the right infrastructure that will ensure we continue to attract, retain and develop the necessary skills, businesses and investment to secure our long-term future.”

Members will hear more from him later in my speech.

Those quotations demonstrate that Aberdeen has a fundamental role to play as a powerhouse of the economy not just of Scotland but of the UK, for as long as we remain part of the wider UK economy. There are a number of other local successes across the north-east. The Rowett institute of nutrition and health has been given £10 million of funding for health-related research. Dundee has been named a hub for the rapidly developing renewables sector. Investment of £20

million is being made in life sciences companies, including investment to help Antoxis in Aberdeen with its research in the fight against Alzheimer’s.

There are high-quality food and drink products across the Aberdeen area, including those from Brewdog, the independent brewer in Fraserburgh, which makes 80 per cent of its turnover from overseas sales, as was highlighted to us at the Finance Committee just yesterday morning. Deeside and the Cairngorms are one of Scotland’s six key tourism locations and will develop a destination plan to help to attract people to the area. The Banffshire Coast Tourism Partnership will also look to attract people to the area. The north-east has a lot going for it and we should celebrate the fundamental role that it is playing in boosting the economy.

However, a note of caution is being sounded. Today’s editorial in *The Press and Journal* says:

“After decades of inertia, Aberdeen looked on the verge of a new chapter of potential development and progress”

with

“Plans for the Aberdeen Western Peripheral Route ... an enhanced garden for the city centre”

and

“a new crossing over the River Don”.

It continues, however:

“Today, that potential progress has come grinding to a halt ... Scottish Labour leader Johann Lamont calls us a powerhouse of the Scottish economy, but her party seems unwilling to push it forward ... The transformational City Garden Project would have helped put a heartbeat into an under-utilised and disconnected city centre.

But despite far more people voting in favour of it than voted in favour of the new administration’s parties, its very future now looks in doubt ... It is to be hoped that it can be salvaged and other key developments pushed forward by this new administration. Otherwise, the city and its people will not be known as Ms Lamont’s ‘economic powerhouse’ but an area that continues to enjoy the trappings of individual wealth, but has very little to show for it.”

Tom Smith, to whom I referred earlier, has said:

“we do have concerns that Labour are opposed to some of the projects and initiatives ACSEF supports to drive growth in the economy and create jobs ... it is hard to believe that a political party are prepared to go against a project which secured a majority vote in a referendum. This brings both integrity and democracy into question.

The third Don crossing is part of the region’s transport strategy to deliver an integrated transport network that will reduce congestion and improve the use of public transport. It is also closely linked to any developments at the Haudagain.

It will be interesting to hear the new administration’s alternatives to these projects which are integral to the economic development of our city.”

There is a lot to be positive about in Aberdeen at present, but we cannot afford inertia in the

north-east, given what we have heard about driving the economy forward. I implore the new administration in Aberdeen to think long and hard about the potentially serious and damaging consequences of cancelling some of the infrastructure projects that are vital to the future economic growth of the north-east and of the Scottish nation as a whole.

Mr Macintosh talked about the small business bonus scheme. When the Federation of Small Businesses says that that has been a lifeline, it means that if it was not in place, small businesses would have gone out of business. That would have meant less economic activity and more people unemployed. Mr Macintosh might wish to cast aspersions on the scheme, which has benefited 85,000 businesses across Scotland, but I suggest that what the FSB says demonstrates clearly that if the scheme was not in place, the small business landscape in Scotland would be in a very different place, which I would not want us to visit. I caution him seriously about considering any proposals to tinker with or undermine the small business bonus.

15:59

**Anne McTaggart (Glasgow) (Lab):** I welcome the opportunity to speak in the debate, which is extremely timely. As colleagues have mentioned, only a fortnight ago, we learned that the UK has officially entered a double-dip recession. Unemployment in Scotland is at an alarming level, and youth unemployment in particular is reaching record levels. Recent statistics show that, since 2007, Scotland's long-term youth unemployment rate has risen by more than 1,000 per cent.

We know that immediate action is needed to create jobs and stimulate growth. Instead, young people across the country who have secured employment have been hit by the UK Government's welfare reforms, which means that 16 to 20-year-olds are no longer exempt from making national insurance contributions.

For those who are looking for work, there is the Scottish Government's much-vaunted modern apprenticeship scheme. That scheme is welcome, but we must ensure that any such schemes are focused on positive outcomes.

**Kevin Stewart:** I am glad that Ms McTaggart has mentioned the modern apprenticeship scheme. I, too, hope that there will be positive outcomes, unlike those from some of the schemes south of the border. Why did Ms McTaggart vote against modern apprenticeships in the recent budget?

**Anne McTaggart:** I have been led to believe that I was not here and did not—*[Interruption.]*

**Kevin Stewart:** Well, your party did.

**Anne McTaggart:** I will carry on.

It is not enough simply to repeat the 25,000 modern apprenticeships mantra, as the Scottish Government has been in the habit of doing. What do those apprenticeships consist of? What skills are taught? How long do they last? Crucially, where do they lead? Young people and their parents have raised those queries on the doorstep over the past months.

Organisations such as Barnardo's Scotland have called for a maximum waiting time for young people to get access to the opportunities for all programme. I whole-heartedly endorse that idea. To ensure that apprenticeships provide a positive destination for our young people, we must ensure that there is a clear and transparent mechanism for monitoring them. Much of the correspondence that I have had with Skills Development Scotland shows that it does not track the long-term progress of apprentices following the completion of their scheme. That must change if we are to be certain that the schemes are making the positive impact on young people's lives that they deserve and which we expect.

It would be remiss of me to omit from my speech the concerns about further education that many of my constituents have brought to my attention. More and more young people are facing a catch-22 situation. With the daunting prospect of unemployment on the one hand and swingeing cuts to local colleges on the other, they are left unable to find a job or gain a place on a college course that will equip them with marketable skills. Now, more than ever, further education has a vital role to play in Scotland's move towards economic growth, but the Scottish Government's cuts to the sector suggest that that has not been recognised. I note for the record that, through Labour-led Glasgow City Council, 16 to 24-year-olds will have the Glasgow guarantee of training or work.

It is not just youth unemployment that is affecting Scotland. The cabinet secretary's motion mentions many sectors that are performing well, but it does not mention the alarming rise in the rate of female unemployment in Scotland, which, like the youth unemployment rate, is higher than the UK average. As a working mother of three children, I know just how difficult it is for people to ensure that their children are looked after while they are at work. The childcare factor plays a large part in many women's lives as they look to get back into work. The Labour Party in Glasgow has already pledged to guarantee every child in the city 15 hours of childcare from the age of three—a move that could be worth up to £1,500 for every child. I have spoken to a number of parents who are both relieved and excited by that prospect, which they feel will make a big difference to their ability to secure and maintain employment.

I am pleased that Glasgow will continue to roll out employability programmes that train early years staff, which helps parents back into work. I urge the Government to endorse that approach and to encourage its take-up across the country.

As we look to rebuild and to encourage growth, it is imperative that we base our efforts on ethical and co-operative foundations. Many parts of the social economy and many social enterprises are growing year on year. Members will be aware that 2012 is the international year of the co-operative movement, and we should be striving to expand the co-operative model, particularly in the financial sector, where a drive to support and encourage credit union membership would be a huge boost to responsible banking. Credit union membership in Glasgow has risen by more than 20 per cent.

I hope that members agree with and will support Scottish Labour's amendment.

**The Deputy Presiding Officer:** If members need to hold lengthy conversations on matters of importance, those could perhaps be conducted at the rear of the chamber or even in the coffee room.

16:06

**Paul Wheelhouse (South Scotland) (SNP):** I welcome the opportunity to speak in the debate and to support the Government's motion.

I contextualise our current position by saying, to paraphrase a famous Tory campaign slogan, that the UK Government isn't working or, to be more precise, the UK Government's economic strategy isn't working. People could be forgiven for asking when the pain will end. If we are to believe Nick Clegg—although that is not a gamble that I would like to take—it could take six or seven years to balance the UK finances. I note that no Lib Dems are in the chamber for this important debate. Nobody can deny the need for deficit reduction, but it must be done over a realistic timescale. That is not happening.

There is little good in austerity if it creates a lost generation of young people and a society in which the poorest are paying proportionately more than the richest. Dogmatic austerity is in danger of killing rather than curing the economic patient. The Scottish Government's strategic priorities are clear, and what is also clear is how much more Scotland could do—I agree with Annabelle Ewing—if it was independent. If the full range of economic levers was available to us, we could use those powers to improve our circumstances, as our independent neighbours in Scandinavia do.

However, with the limited powers of devolution, the Scottish Government has proved its worth in the teeth of recession. It may be disputed by

opponents, but it is true and factually based to say that Scotland's recession was shorter and shallower than the recession in the rest of the UK. We had five quarters of recession as opposed to six in the UK and the decrease in GDP was 5.9 per cent as opposed to 7.2 per cent in the UK.

The UK economy has contracted by 0.2 per cent in the first quarter of 2011, which has pitched us into a double-dip recession. However, as the cabinet secretary identified, Liz Cameron seems confident that, when the first quarter figures for Scotland are produced, those will paint a more positive picture.

As I said, I fully support the Scottish Government's motion, but I want to add the textiles sector to the list of sectors that is cited in it. Dr Lena Wilson confirmed in her evidence to the Finance Committee yesterday that the textiles sector is experiencing strong growth in demand, particularly from emerging markets such as Brazil, Russia and China, and from traditional markets in the US and Europe. I look forward to the Minister for Youth Employment visiting Hawick next week to see for herself the pioneering Scottish Borders knitwear group training association, which has pooled apprenticeships in an effort to meet emerging skills shortages and skills gaps arising from such strong growth in demand.

At the Finance Committee yesterday, we also heard from Philip Grant, one of the Lloyds Banking Group's senior executives. He stated that not only is the debate on independence helping to focus people's minds on Scotland's economic fundamentals, but that

"There are parts of the world where people are getting interested in Scotland again and there is maybe some advantage in that."

**Claudia Beamish:** Does the member agree that there is serious cause for concern in relation to the proposed cuts, on which there is only a 30-day consultation period, to Heriot-Watt University's textiles department? Does he agree that it would be very useful if the cabinet secretary could give some backing to the concern that has been expressed about jobs in the Borders and about the future?

**Paul Wheelhouse:** I am happy to add my support; indeed, I signed Ms Beamish's motion on the subject. Although it is for the university to determine what it does with its provision, now is the wrong time to be cutting back provision in textiles when there is such strong growth in the demand for those skills.

Professor Jim McDonald was also optimistic on a number of fronts. He cited the fact that 50 per cent of foreign direct investment in Scotland is being driven by Scotland's strength in research and development. He also raised several positive

examples of how Scotland is pooling research in a way that other countries are not and how we are attracting growth on the back of that.

In addition, Dr Lena Wilson stated:

“For a company like Samsung, the constitutional question makes no difference to them whatsoever ... I would say, broadly speaking, I don't see any impact on our pipeline for investment and that's not a political statement. It's the truth.”

Some of the scare stories about the impact on growth of the independence referendum debate have greatly exaggerated the situation. I was hugely encouraged by Dr Wilson's clear focus on growth companies, particularly those with export potential, including companies in the food and drink, engineering, financial services and textiles sectors. The committee had a very positive session yesterday—I hope that even Gavin Brown would accept that.

Ken Macintosh commented on Labour's policy on the small business bonus scheme. I respect Ken Macintosh, but I think that Labour's policy is confused, as has been laid bare today. Labour members may deride the scheme, but they do not seem to have the courage to say that they want to cancel the small business bonus. That will be of some concern to the FSB and its members, as Mark McDonald indicated. The uncomfortable truth is that it is a popular policy, and popular policies are often the right policies. As we have heard from other members—indeed, I have heard it from a number of businesses throughout the Borders—the scheme has protected jobs and has allowed companies to invest in their future in way that they would not otherwise have been able to.

**John Park (Mid Scotland and Fife) (Lab):** Will the member take an intervention on that point?

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

**Paul Wheelhouse:** I am in my final minute—I apologise to Mr Park.

Labour's amendment refers to the Forth bridge contracts and implies that the use of steel from outside Scotland is a mistake. I would be grateful if the cabinet secretary could confirm this, but I understand that no bids were received from Scottish companies for that work and that there is now very limited scope within Scotland for fabricating steel of the kind that is needed for that contract. That happened on the UK's watch, while we are still part of the union. I wonder whether Opposition members have any views on that.

16:12

**John Mason (Glasgow Shettleston) (SNP):** Today, we are focusing on growth and we have heard of the many positive actions that the

Government has been taking. Scottish Government policies have been very focused on growth and jobs, and, across the chamber, we all welcome that. Nevertheless, it is right to say that unemployment is too high, especially among young people, women and older people and in certain locations.

As we have just heard from Paul Wheelhouse, the Finance Committee had a very positive session yesterday at which we heard from three witnesses who were extremely optimistic and had a lot of good news to tell us about what is happening out there. Dr Lena Wilson from Scottish Enterprise spoke about targeting growth companies in, for example, South America, where Scottish Enterprise is developing offices. It strikes me that one of the real advantages of our leaving the UK would be that we would probably have a much better relationship with South America, as the UK is viewed with a considerable amount of suspicion there at this time.

We heard from Professor Jim McDonald of the University of Strathclyde, who spoke of the high regard in which Scottish universities are held around the world, especially in subjects such as engineering, where there are generally more jobs available than in other sectors. One of the disadvantages of our being in the UK was highlighted: the UK Government and the Borders Agency are doing their best to restrict the number of students who come here, despite the fact that we both earn money and gain friends around the world through their being here.

We also heard from Philip Grant of Lloyds Bank, who is widely quoted in the media today. He pointed out that Scotland's raised international profile can be a huge advantage for trade and exports and that a larger share of the bank's employees are in Scotland than the size of the population would merit.

At a more local level, the east end of Glasgow and I are seeing investment in the Commonwealth games. After the games, the village will become social housing and a care home as well as private housing. There are also new sports facilities, Dalmarnock rail station and the east end regeneration route, which is opening up the east end for businesses and jobs. A lot of positive things are happening.

It is true that we cannot always choose our priorities for capital expenditure. Among my priorities for Glasgow would certainly be housing, which has been mentioned, and primary schools, which have been sadly neglected by Glasgow City Council over many years. However, the reality is that we are sometimes forced to invest in areas that would not be our first choice. One of those is the Forth road bridge. As I have said previously, I remember the existing bridge being built. It is a

huge disappointment to us all that we are having to replace it at this time. In no way could the decision to replace the bridge be called a populist one; it is being replaced because that is right and necessary. Everybody I meet, including in Glasgow, accepts that, but nobody would have wanted the project to happen. That gives the lie to the idea that the Government follows populist policies.

We need to consider procurement, which Malcolm Chisholm mentioned. The Finance Committee received good evidence on that from Jim and Margaret Cuthbert, who said that we could learn from other countries about breaking down contracts into smaller chunks so that SMEs and smaller organisations could take them on more readily.

Another project in which we have been forced to invest but which would not be a top choice is the Edinburgh trams. That is down to the crazy decisions of other groups, some members of which might be present today. As far as I am concerned, the money would have been better spent on housing.

To be fair to Gavin Brown, he told us how he would fund some of the things that he would like, such as housing and colleges, by selling off Scottish Water. My assumption is that, despite Labour's movement on a variety of policy areas, it does not support selling off Scottish Water. Therefore, we are interested to hear from Labour about where the cuts would be made to pay for housing and colleges. My assumption is that the cuts would be to the health sector, because Labour members have not mentioned that.

We need to know what growth—if we have it—will lead to. The briefing for the debate from the Scottish Council for Voluntary Organisations states:

“for us, the economy is about much more than growth”.

It continues:

“At a time of austerity, growth is important, but growth should be a means towards supporting people and making their communities sustainable. Growth is not the end in itself. We need to make the economy more sustainable and meaningful to people and their communities.”

We do not have any Green members with us today, but I am sure that, if we did, they would say that growth does not stand alone and must be tied in with the environment and sustainability. We have received evidence from several bodies, including the Poverty Alliance, that growth must be inclusive. Growth can be a bad thing if it is overreliant on short-term debt or if it comes at the cost of damaging the environment or developing countries. The benefits of growth must be shared fairly.

The recent *Sunday Times* rich list shows the increasing gap between rich and poor, which has happened under Labour and the Tories at Westminster. Tax for the wealthy has been reduced—sometimes they do not even pay much tax at all—while those at the bottom have their wages frozen and their pension contributions increased. Many of us are supportive of the reasons behind today's strike over pensions by some in the public sector. If the cuts were 1 per cent for those at the bottom, 5 per cent for those in the middle and 10 per cent for those at the top, we might accept that, but it seems that ordinary people are the ones who are suffering.

16:18

**John Park (Mid Scotland and Fife) (Lab):** I welcome the opportunity to participate in the debate given the real issues that our communities face on unemployment and youth unemployment in particular. I am sure that those of us who have been going round doors on the campaign trail in the past four or five weeks cannot fail to have been struck by the number of young people in our communities who are clearly not in a college place or who find it difficult to get into employment and hold down a job. That has certainly struck me. I have had dialogue with a number of young people in different settings about the challenges that they face. Those are not just about trying to find a job, but about whether the public transport links are there to support them when they find one. If they find a college place, there are again issues to do with public transport and with whether they have the family infrastructure to support them and ensure that they make the most of it.

The challenges are not just about employment; they are about how we support our young people to get into employment and to sustain it in the longer term.

Gavin Brown's amendment refers to colleges. The direction of travel of the regional college proposals will throw up some challenges. For example, Fife has two pretty large colleges in the south—Adam Smith College and Carnegie College—which are only 12 miles apart on the map, but which serve completely different communities. There is a severe and significant lack of transport connections for young people in the west of Fife to allow them to get over to central Fife. We need to take note of the challenges that young people face in that regard, given the regional route to college mergers—particularly in Fife, although I am sure that similar challenges will exist in other parts of the country.

A number of speakers referred to the proposed procurement bill. I look forward to that proposal coming to Parliament, particularly if it gives us more clarity. Over the years, many people have

felt that we have played strictly within the rules with regard to European procurement regulations. However, as the Jimmy Reid Foundation report highlighted, there are things that can be done within the existing framework. In Wales, for example, a more significant emphasis is placed on value than on cost. That has had a positive impact on prime contractors, subcontractors and small businesses and on employment in Wales. That is certainly something that we could do, too—we should be learning ways of doing business from other countries.

We have spoken in the chamber today about the new Forth road crossing, but the stark reality is that the weighting given for cost was 92.5 per cent. I do not think that any public sector procurement contract that the Welsh Government placed would have had that level of weighting given to cost; employment opportunities and social aspects would be given more weighting.

There is a lesson that, without playing party politics, we can all learn from that process. I hope that when we come to discuss the proposed procurement bill, there will be consensus in the Parliament that the £9 billion-worth of goods and services that we procure every year in this country should not only deliver top-quality public services, but provide job opportunities for all our communities.

I want to focus on the opportunities that come from emerging industries, particularly renewables. I am fortunate to sit on the Economy, Energy and Tourism Committee as it undertakes an inquiry into the Government's renewables targets. There is obviously a huge opportunity for us in that area and I believe that we are on the cusp of something very significant for employment, but there are challenges. I gave the committee the example of Tullis Russell, which is building an industrial biomass plant near Glenrothes. Despite the significant job losses that there have been in the construction sector, there is a shortage of skilled construction workers for that project. The contractors have been forced to bring in workers from overseas because we do not have the specific skills here. That is to do with the skills mix and not the nature of the work. We must ensure that our skills mix fits the needs of future job opportunities. We must tackle the real, live issue of unemployment with one eye on skills needs in the future.

That brings me on to apprenticeships and the global figure of 25,000, which is mentioned a lot. As John Swinney said in his opening speech, 98 per cent of our businesses in Scotland are small or micro in nature. With that in mind, it is really important that we find ways of ensuring that those companies—which I think most people would agree are the lifeblood of our communities,

particularly fragile ones—can come together and benefit from apprenticeship opportunities. If we do not do that for the small businesses that bring in employment opportunities and boost local economies, there will be a long-lasting negative impact on what they can do and on our ability to meet skills needs in the future.

I welcome the opportunity to speak in this debate, but my six minutes went very quickly, Presiding Officer. It is time for me to sit down and be quiet.

**The Presiding Officer (Tricia Marwick):** Mr Park, I would have given you another minute.

I call Kenneth Gibson. Mr Gibson, you can have an extra minute.

16:24

**Kenneth Gibson (Cunninghame North) (SNP):** Wonderful. Thank you, Presiding Officer.

I thank the Cabinet Secretary for Finance, Employment and Sustainable Growth for bringing this debate to the chamber. As many Scottish households continue to struggle during these difficult times, I can think of nothing more important than discussing the Scottish Government's strategy to promote economic recovery and accelerate growth in Scotland.

As convener of the Finance Committee, I have had the opportunity to listen to a variety of experts and key stakeholders in Scotland, including representatives from a diverse array of organisations. As colleagues have mentioned, one of the people who gave evidence to us yesterday was Dr Lena Wilson, chief executive of Scottish Enterprise. A piece in *The Scotsman* on 10 April quotes her as saying:

"You'd all say the economy is the number one objective. Well, when you looked at what everyone was doing, it didn't always look like that. There has been an absolute sea change in the last few years."

*The Scotsman* goes on to say:

"Leadership from the top helps—she is full of praise for finance secretary John Swinney who, without much public fuss, has firmly directed all public bodies onto the priority of economic development. A good example, she says, came recently with salmon. A massive disease in Chile, one of Scotland's biggest salmon competitors, had wiped out much of their stock. There was therefore a huge chance to upscale salmon production and clean up. The problem was planning. 'We went straight to John Swinney and within a matter of weeks we had a salmon planning summit where he had every single head of planning for every local authority and salmon federation and salmon producers and made it clear about the intention.' The planning issue got cleared."

Professor Jim McDonald, Strathclyde University's principal, also gave evidence to the

committee. I quote from a piece about him in *The Scotsman* on 11 April:

“It’s understandable ... that companies have headed east in search of lower costs. But now, those same firms are realising that they need the expertise, research base and talent to be found in Scotland”.

The Scotsman goes on to say that, in March,

“Strathclyde won the competition to become the home of the UK government’s grandly titled ‘Offshore Renewable Energy Catapult’, another £50 million project to fund academics to bridge the gap between paper dreams and money-making energy projects. The way Scotland’s universities work together on all this gives the country an edge. ‘Our research pooling is the envy of Europe.’”

The piece also says that, according to Professor McDonald,

“Scotland also punches well above its weight in its top-quality research ... borne out by new figures showing that higher education research and development spending in Scotland is now 13.6 per cent of the UK’s, well ahead of its population share. ‘We have a scientific and engineering and technology research base that is among the very best in the world. It’s not us saying that, it is the statistics around academic performance—patents, publications, at the top end.’”

Professor McDonald says:

“A real key piece in this is leadership ... we hear the strong messages from the Scottish Government about partnership and focus.”

We have already heard about Philip Grant, who also gave evidence to the Finance Committee, and the optimistic messages from business. Mr Grant talks about 14 months of slow but steady economic growth in Scotland under the leadership of the SNP Government.

Having listened to that broad cross-section of opinion, I believe that the SNP Government is doing all that it can under the terms of the current constitutional settlement to achieve its stated goals of accelerating recovery, supporting long-term sustainable economic growth and boosting employment.

Yesterday, Mr Justin King, chief executive of Sainsbury’s, lambasted the Tory-Lib Dem coalition Government in London for fuelling uncertainty among already cash-strapped consumers, arguing that greater consistency in key Westminster policy areas would bolster consumer confidence. Mr King summed up the situation by saying:

“Unfortunately, what we have seen over the last couple of years is something that could not be described as a consistent pursuit of a clear policy that the consumer at large understands, whether that is a consistent tax environment, or a consistent rates environment.”

**Gavin Brown:** Will the member give way?

**Kenneth Gibson:** In a minute, Mr Brown.

The Scottish Government has protected universal services, kept university education free,

frozen the council tax and worked with the Convention of Scottish Local Authorities to set aside £40 million to help 567,000 low-income Scots. Those measures have not only contributed to the development of a fairer society in Scotland, but boosted consumer confidence by providing greater certainty and stability at a time when household budgets are already stretched thin.

I have not forgotten Mr Brown—I will let him in in a second.

The Conservative plan to put 3p a litre plus VAT on fuel this autumn will only damage economic recovery. As for Gavin Brown’s concern at £95 million being redistributed within Scotland through the health levy, he seems remarkably unconcerned at the £3 billion that will leave Scotland in increased VAT payments over the same period—money going straight to the Treasury—not to mention money from fuel duty increases and public sector pension grabs and so on.

**Gavin Brown:** I find it strange that the member is quoting Justin King of Sainsbury’s, without acknowledging what Mr King said about the Scottish Government’s retail levy.

**Kenneth Gibson:** We must take everything in context. I have pointed out that the retail levy amounts to 3 per cent of the money that Gavin Brown’s Government in London is taking straight from the Scottish economy and giving to the Treasury. That does not include other things that have been mentioned. Also, the money from the retail levy is recirculated within the Scottish economy. Mr Brown must admit that his argument on the retail levy is a bit of a fig leaf.

It is important to remember that we have delivered those measures during difficult economic times and have secured £700 million in efficiency savings over three years. We also have an impressive record of legislative competence.

In December last year, when the Parliament responded to the chancellor’s autumn statement, I highlighted an OECD report that had been released that week, which warned that the UK was on course to slip back into recession. In March, the First Minister wrote to the UK Government reiterating our calls for increased capital spending. As per the Prime Minister’s request, he also provided a list of specific shovel-ready projects. However, with the UK in double-dip recession, still no ground has been broken on any of those projects because the UK has not provided funding, despite the fact that it is a matter of urgency. We heard yesterday from Mr Swinney that, if Labour had been in power, the cut to capital spending would have been £4 billion more than the one that the UK Government imposed.

Scotland suffers from a Tweedledee, Tweedledum approach from the UK parties. The members of this Parliament, all of whom are accountable solely to the Scottish people, are best placed to address the problems that Scotland currently faces, including the continuing need to bolster economic growth and recovery.

As we look to the problems that may arise in future—whether the need for economic growth and recovery, the need to address demographic change in Scotland or other issues that are related to fiscal sustainability—it becomes ever clearer with each passing day that the Parliament needs the real powers that come with independence if we are to address effectively the challenges that Scotland will face and ensure prosperity for our people.

**The Presiding Officer:** I call Gavin Brown to wind up for the Conservatives. Mr Brown, you have a generous seven minutes.

**Members:** Ooh!

16:31

**Gavin Brown:** Thank you very much, Presiding Officer. I am not sure where to begin with that.

Let us begin with Mr Gibson's speech. He is extremely persuasive and has definitely persuaded me of the error of my ways on the retail levy among other things, but let us examine some of the things that he came out with in his speech.

Mr Gibson said that he wanted more money for pensions. He does not think that what is happening on pensions is correct and says that the UK Government needs to put more money into them. He also wants more money to go into cutting fuel duty. He does not approve of the 3p rise, as I am sure many people do not, and says that we must put more money into stopping the rise from happening.

We heard earlier from other SNP members that we need to put more money into housing and ensure that we reduce VAT for tourism. We also heard only a couple of weeks ago from the Minister for Energy, Enterprise and Tourism that air passenger duty needs to be reduced.

**Kevin Stewart:** Will Mr Brown give way?

**Gavin Brown:** I will give way in just a moment.

We also heard that we need billions of pounds for shovel-ready projects, need to reverse the cuts to welfare that are being introduced via the Welfare Reform Act 2012 and need to cut VAT for home improvements. That is to name only a few of the things for which SNP members called. On a quick calculation, in the course of an afternoon, they called for much more than £40 billion-worth of commitments on things that need to happen.

I played the game. I was asked how I would fund the measures that I called on the Scottish Government to take, so let us hear from Kevin Stewart—

**Mike MacKenzie:** Will Gavin Brown give way?

**Gavin Brown:** I will let Mr Stewart in first. Let us hear from him how the SNP will fund the £41 billion of commitments that we have heard about in the past two hours.

**Kevin Stewart:** I point out that we are talking about those numbers throughout the UK and not only here in Scotland.

Mr Brown talked earlier about how he would fund some of his commitments, which would mean scrapping such measures as free prescription charges. That is not particularly progressive. We require all the levers of power to boost the economy, which would see increased taxation. One of the first things that I would scrap is Trident nuclear weapons. Will Gavin Brown comment on that?

**Gavin Brown:** With a quality intervention like that, it is a pity that Kevin Stewart did not get a generous seven minutes to make a speech, because I am sure that it would have been an absolute delight.

I return to some of the points that we have heard from a number of SNP members. I think that every SNP speaker mentioned shovel-ready projects. They all get a big tick for covering things that were in their briefing documents. They have all those shovel-ready projects, but they completely ignore the fact that, in the autumn statement, £0.5 billion of additional capital was added to our block grant over the spending review period and, in relation to the Caledonian sleeper funding, an additional £50 million was given to the Scottish Government. That money could not be used on the sleeper initially, so what did the Scottish Government decide to do with it? It gave the money to Scottish Water. If we genuinely had all those shovel-ready projects, why on earth did the Scottish Government not put some of the money into them? There are plenty on the list; it could quite easily have done so.

Mr Swinney looks as if he is about to intervene. I give way to him.

**John Swinney:** I am grateful to Mr Brown. I will assist him with the shovel for the hole that he is digging for himself. I confirmed to him at the Finance Committee the reason for the decision to allocate the money to Scottish Water. The Caledonian sleeper money is not a new sum of money that could be deployed on other projects, from which it could not be taken back at a later stage. It had to be lent to Scottish Water so that it can be deployed later on the Caledonian sleeper,

to fulfil the conditions of Her Majesty's Treasury. I am the last person who would want in any way to breach the commitments that we have given to Her Majesty's Treasury.

**Gavin Brown:** If that was Mr Swinney's best shot, I am feeling pretty nervous. He seems to forget that in our little exchange at the Finance Committee I asked him a simple question—did the Scottish Government consider or ask the UK Government about putting that money into shovel-ready projects? The clear and simple answer was no. A Government that had all those shovel-ready projects did not even consider that. If Mr Swinney wishes to reverse his previous decision, I will give him a second bite at the cherry.

**John Swinney:** I assure Mr Brown that there was plenty of dialogue with the United Kingdom Government, which resulted in the approach that the Scottish Government took. I come back to the point that I repeatedly make, and I make it because I want to try to ensure that Mr Brown does not mislead the public of Scotland. The money that was allocated for the Caledonian sleeper can only be allocated over the duration of the time for which the money is available for the purposes of the Caledonian sleeper investment. It cannot be spent on something other than that priority. We are simply using Scottish Water as an efficient and effective way in which to handle the financial arrangements around that resource.

**Gavin Brown:** I close on that by saying that I am happy to refer to the *Official Report* of our exchange at the Finance Committee. I will happily put that in SPICe, if that will help, as I know that the Scottish Government likes to do that. I am happy for members and the people of Scotland to judge that exchange on the terms on which it happened.

**Mark McDonald:** They will be queuing up at SPICe's door.

**The Presiding Officer:** Mr McDonald, enough.

**Gavin Brown:** Quite.

We heard the usual invective that we get in these debates about how the UK Government's approach is too fast and too deep, but not a single member in this debate or any other has said what would not be too fast or too deep. How many years do members of any of the parties around us believe it should take for the deficit to be reduced? We have never had an answer to that question. How much additional spend do they believe ought to take place in each of the additional years while the deficit is reduced, and how would they pay for that? Would it be through extra borrowing or extra taxation?

**Malcolm Chisholm:** Gavin Brown knows full well that, in the general election two years ago,

Labour said that it would halve the deficit in four years. At that time, the economy was beginning to grow and unemployment was falling. If that plan had been maintained, that improvement would have continued.

**Gavin Brown:** I think that Mr Chisholm's conclusions on that are simply wrong. What he ignores, and what was not happening at that time, is the high inflation that we have across the world at present, which is related to fuel prices and other basic commodity prices. Also, we did not have at that time the euro meltdown across the zone, which impacts on us, of course, as we do more than 50 per cent of our trade with those countries. He mentioned what he felt was working at that time, but I am pretty sure that it would not be having the same effect today, based on what has happened subsequently.

The Scottish Government needs to back its words with actions and use every lever at its disposal to help to grow the Scottish economy.

16:39

**Ken Macintosh:** It is an opportune time to discuss the importance of growth over austerity, but it has been disappointing to hear from the SNP a list of unsubstantiated assertions in the place of evidence-backed argument.

Annabelle Ewing and Kevin Stewart suggested that only separation can deliver the levers of economic control that are necessary to make a difference. I fundamentally disagree with that assertion, and it illuminates the contradiction in the SNP's position.

On the one hand, the SNP claims to be making a difference with its so-called plan MacB, which has apparently made the recession slower and shallower. On the other hand, however, it claims that it is prevented from making a difference because it does not have the powers to do so. Which is the true position?

That contradiction was illuminated even more frankly by Mike MacKenzie. He tried to claim credit for the Scottish Government's success in making the unemployment rate lower than it is in the rest of the UK, but when he was challenged by Gavin Brown, who noted that the figures are often higher in Scotland than elsewhere in the UK, he said simply that that is nothing to do with the SNP. As an argument, that clearly makes no sense whatsoever, and I fundamentally disagree—

**Mike MacKenzie:** Will the member take an intervention?

**Ken Macintosh:** I will make some progress first, and let members in later. I took so many interventions in my opening speech that I did not

make the points that I wanted to, so I will do so now.

I believe that we can do so much more here and now, in a devolved Scotland, to build sustainable growth through promoting manufacturing, developing our skills agenda, using procurement through effective regulation and giving industry our political support.

Those who contributed to the Finance Committee's debate have stressed how much could be done within the devolved settlement. The Joseph Rowntree Foundation highlighted skills, the WISE Group and others talked about employment and Colin Mair from the Improvement Service said:

"in the public sector, and particularly in local government, we tend to be focused on our services, which are what we think will have the beneficial impact. In reality, it is our employment capacity and not our services that might have the beneficial impact on people's lives."—[*Official Report, Finance Committee*, 18 January 2012; c 532.]

That is an important point. The UK Government has a target of shedding up to half a million jobs in the public sector, and the Scottish Government's contribution in the past year—despite its talk of a growth in employment—has been to shed 25,000 public sector jobs in Scotland. Where, for example, is the proposed sustainable procurement bill?

Malcolm Chisholm and John Park mentioned the report from the Jimmy Reid Foundation, which highlights the millions of pounds that are leaving Scotland as big public contracts go to foreign firms. For example, the steel for the new Forth crossing is coming from China rather than from Lanarkshire. I respect Paul Wheelhouse's intelligent and informed comments, but I did not understand his closing remark that the reason that we did not have that steel was somehow due to the UK Government.

Malcolm Chisholm's contribution was particularly good. He reminded us not only that Government indebtedness was caused by the recession rather than being the cause of it, but that all political parties supported the levels of borrowing that we carried in that decade. I mention that because I believe that one of the reasons that austerity is failing to convince people in this country and elsewhere in Europe is that, as a policy, it appears still to be driven by financiers, or by politicians who are keen to win the support of financial markets.

Our country, more than many in Europe, has been too dominated by the financialised economic model, which essentially means that our economy is focused too narrowly on the financial sector. We need not only to rebalance our economy, but to

reflect a wider set of values in our decision making.

**Mark McDonald:** Will the member give way?

**Ken Macintosh:** Possibly in a couple of minutes, Mr McDonald. I will make some progress first.

That is certainly the message that is coming from our trade unions, our churches and the fair trade movement. It has been spelled out in books such as "The Spirit Level" and by organisations such as the High Pay Commission, which recently revealed in evidence to the Parliament that over the last 30 years, the top 0.1 per cent of earners have become substantially wealthier. It pointed out that in the past decade, the earnings of FTSE 100 directors have risen from 47 times to 102 times the average earnings, and concluded that excessive top pay is deeply damaging to the UK as a whole.

That message was also embodied in Oxfam Scotland's humankind index, for which I welcome the cross-party support.

Mary Scanlon talked about how tax avoidance and evasion has become a feature of the Conservative agenda in the UK. I welcome that move; indeed, as I said in yesterday's debate, we need a more open discussion about the relationship between the taxes that we contribute and the services that we enjoy and share.

The Scottish Government motion emphasises the importance of attracting inward investment. Of course, the First Minister is never happier than when he is reeling off lists of companies that are supposedly investing in Scotland—although I note that, six months too late, Doosan has been dropped from the script. However, he still refers to Amazon. Not only is that company associated with unwelcome employment practices but, as we have discovered, it is avoiding paying tax in this country. What does the cabinet secretary think of such practices? Has he written to or contacted Amazon to raise those concerns?

Perhaps even more worrying, among all the dodgy dealings that the First Minister seems to have enjoyed with Rupert Murdoch—

**Members:** Oh!

**Ken Macintosh:** Well might SNP backbenchers squirm. One of the most unsettling reports was about the First Minister trying to lure News Corporation to Scotland with promises of lower corporation tax. Scotland as a tax haven for the unsavoury is not my idea of inward investment or sustainable growth.

**Mark McDonald:** In an attempt to return Mr Macintosh to the matter in hand, does he agree with me and the business community in the north-east that a move by the new council administration

to shelve certain vital infrastructure projects will have grave dangers for the economy of Aberdeen and, indeed, Scotland? Will he undertake to speak to his colleagues in Aberdeen City Council to ensure that those projects are not shelved?

**Ken Macintosh:** If Mr McDonald believes that the new garden planned for the centre of Aberdeen is a “vital infrastructure project”, I have to tell him that—from a distance, I admit—I fundamentally disagree with him. The people of Aberdeen face many problems that the new council will have to address, and I am very pleased at the new council that has been voted in—

**Kevin Stewart:** Will the member give way?

**Ken Macintosh:** No. Members have already had one go at this and I have addressed the point.

We need to rebalance the economy. That means having not just a more effectively regulated and reformed banking sector, but a reinvigorated manufacturing sector to create attractive, sustainable employment and make our economy more resilient. Indeed, we need only look at countries such as Germany to see the advantages in such a strategy.

Given how the SNP veers between its unsubstantiated claims of economic success—the so-called plan MacB—to expressions of economic helplessness such as, “We’ve done all we can—if only we had more powers,” I ask the cabinet secretary or his colleague Fergus Ewing to say in their summing up whether we still have a plan MacB. The reason I ask is that almost as worrying as the current second dip into recession are the economic forecasts that have been shared with us of our prospects over the coming years. Many colleagues in the chamber were present at the briefing at which the Royal Bank of Scotland suggested that there would be a continuing rise in unemployment.

There is a lot that we can do, but I am not convinced that the SNP is taking all the action that it can. We need wage subsidies; we need to do far more for the half of the population who are not going to university; and we need job-ready schemes, work experience and welfare reform. Instead of forcing people into dead-end, unfulfilling jobs, we need to give them proper support to get back into the workplace. Where is the Scottish Government’s equivalent of the future jobs fund? Perhaps after last week’s result in Glasgow the SNP will wake up and think about the importance that voters gave to Labour promises on, for example, the Glasgow guarantee that my colleague Anne McTaggart highlighted. In any case, given that the ministers were not paying much attention to Ms McTaggart’s speech, I ask them to answer her specific question about what is

happening to reduce unemployment among women, which has shamefully risen over the 100,000 barrier.

My colleagues and I in the Labour Party have no problem with the stated intention of placing jobs and growth at the heart of policy, but there is little sign that that is happening. Let us seize the moment and follow the example of our French colleagues. Allez, les socialistes!

**The Presiding Officer:** I call Fergus Ewing to wind up the debate. Minister, I would consider it a great favour if you could continue until 5 o’clock.

16:49

**The Minister for Energy, Enterprise and Tourism (Fergus Ewing):** That should not be too difficult, Presiding Officer.

It is with great pleasure that I speak in a debate about growing the economy. Of course, growing the economy means creating jobs, opportunities and all the benefits that flow from growth. That is not only a worthy objective but, as members have pointed out, a means to an end; it is about having a fulfilling life and a rewarding career and being able to look after oneself and one’s family in the way that one wishes.

Growth is pivotal to this Government’s objectives and rightly runs through and permeates every one of its policies. Beneath the bluster, the colourful rhetoric, the overly negative criticism of policies by some of our opponents when it turns out that they support them, and the sturm und drang of the Opposition’s tone, what are we left with? Where are the alternatives? I do not know, Presiding Officer.

I will take a different tack. I spent the morning in Mr Chisholm’s constituency at the annual general meeting of the organisation that helps to promote the success of one part of the tourism business in Scotland—the cruise industry. I learned a fact that I suspect very few people know—I did not know it until this morning—which is that, in 2000, only 45,000 people visited Scotland each year through our manifold ports and the attractions that they offer around the shores of this country. The figure is now 318,000. In a decade, the little segment of our tourism industry that is cruise Scotland has got together and, without masses of money or Government support, it has worked with the Government and others and transformed the industry. In a time of recession, it has seen growth in the number of people coming to Scotland and the amount of money that is spent in Scotland.

I mention that not because it is hugely important to the overall scheme of the economy, but because one of the most important levers that we have in this country is the duty of all ministers to

engage with Scottish society and go out and find out what it is up to, so that we can understand what is being done in our name, see the opportunities that are being created, and help people to achieve. It is not always about money; often, it is about practical arrangements. For example, where are the German-speaking tourist guides whom we need if we are to get more cruise liners from Germany, which is our second biggest market? How can we organise the luxury buses that those visitors want? That is the type of practical problem that takes up a lot of my time as minister, not the rather futile, high-level exchanges on who is right and who is wrong about the ebb and flow of macroeconomics.

If the time that I have for my short contribution permits, I will answer some of the points that have been made during the debate. However, first I will run through some of the levers we have that have not been focused on during the debate. For example, the account management system of Scottish Enterprise and Highlands and Islands Enterprise is run so that each company across all sectors in Scotland, not just the growth sectors, is allocated an individual, specific person to assist it to get advice from the Scottish Government's enterprise network about how it can be helped. Every company that I have met that has an account manager values that resource, because the company itself does not have time to look up websites and keep abreast of every development in the manifold Government assistance that is available. Those companies need someone to help them to achieve growth.

The cabinet secretary alluded to growth in exports. The Scottish Leather Group Ltd of Bridge of Weir produces high-quality leather hides for most of the top marque cars in the world and has achieved almost £100 million of exports. Mary Scanlon and Gavin Brown made a number of sensible points, with which we agree, about the success of companies that export. Food exports have increased by 62 per cent since 2007—what an incredible achievement. There has also been a 50 per cent increase in whisky exports, and we heard about the success of the Scottish salmon industry with its quality recognition throughout the world. Individual sectors are seeing great success and they have the account management assistance.

Another lever that has been alluded to is SDI. As you know, Presiding Officer, because we were there together in New York—

**Members:** Oh!

**Fergus Ewing:** I shall say no more, Presiding Officer. My lips are sealed. To spare your blushes, I should say hastily that we were there with several thousand others at the tartan day parade.

SDI does a marvellous job of selling Scotland throughout the world. At first hand, Mr Swinney, the First Minister, Mr Neil, Mr Lochhead and I are going out to other countries in the world and using SDI as a resource to bring back the goods for Scotland. My goodness, how we are succeeding in comparison with almost every one of our competitors. That is one of the levers that we have at the moment. By working with SDI, HIE and others, we have the capacity to increase this country's economic success through inward investment, which leads to jobs, opportunity and success.

The cabinet secretary alluded to the success of manufacturing, in which there has been stupendous growth in recent years. One of the most positive conferences that I have attended was not in New York but in Dunblane. There has rarely been a conference at which the mood among the delegates—who, in this case, represented a range of exporting companies in Scotland—has been as uplifting as it was at the Scottish Manufacturing Advisory Service's conference.

We are seeing tremendous success in the development of skills. John Park was quite right to mention the skills challenge. I agree that one of the key challenges that the country faces is to ensure that the skills are provided for the work that needs to be done. I have visited Carnegie College and I know what good work it does, along with Adam Smith College and all the other colleges and universities throughout the land. Last Thursday, I visited Nigg and saw for myself the skills academy that Global Energy Group has developed there. I saw the enthusiasm and commitment of the people who are doing a foreshortened apprenticeship in the hope of being part of a new and exciting industry.

As the debate has illustrated, we have some—although by no means enough—tax powers. The small business bonus scheme has been commented on. I thought that Annabelle Ewing made a characteristically measured speech, in which she set out that 85,000 people can testify to the fact that the scheme is helping businesses throughout Scotland. As Labour members said, 98 per cent of businesses are small businesses. If Labour members want to find evidence of what small businesses think about the small business bonus scheme, I suggest that they go out and speak to some of them, as I did last Friday, when I visited Dalcross Logistics in my constituency.

**John Park:** The minister said that the small business bonus scheme had given Scotland an employment advantage in comparison with other parts of the UK. Why has employment in small businesses gone down by 11.3 per cent in Scotland, whereas it has gone down by only 2.8

per cent in England, 4.5 per cent in Wales and 3 per cent in Ireland? Given that that has happened over the three-year period for which we have had that comparative advantage, it is clear that it has not led to more jobs.

**Fergus Ewing:** We will simply have to agree to disagree on the statistics. It is absolutely clear that, were it not for the small business bonus, many of those who have received it would no longer be in business. That is undoubtedly the case. The member should go and ask some of the business owners in the Victorian arcade in Inverness in my constituency what they think about the prospect of running a small business without the help that the Scottish Government has provided.

I found it slightly surprising that, instead of the constructive critique that we might have expected the principal Opposition party to provide, we got sustained condemnation of a number of our policies. As well as the small business bonus scheme, the enterprise areas and the public health levy were the subject of sustained criticism from Mr Macintosh. It emerged, however, that although Mr Macintosh was condemnatory about each of those policies, he supports all of them. Far be it from me to give advice to the official Opposition in this Parliament, but would it not be an idea for Labour to put forward some alternatives that it believes in, rather than ones that, it turns out, it does not believe in? I urge Labour to think again.

**Ken Macintosh:** Will the minister take an intervention?

**Fergus Ewing:** Well, all right. Why not?

**The Presiding Officer:** You will have to be very quick.

**Ken Macintosh:** Did the minister hear our comments on sustainable procurement, the skills strategy and the many other policies that we wish the SNP to proceed with?

**The Presiding Officer:** You have 30 seconds left, minister.

**Fergus Ewing:** I wish that I had longer; I am sure that I could fill in another hour or so, if members were patient.

We in Scotland face many challenges, which we are tackling with the powers that we have. If we had the full powers of a normal country, we would be able to achieve the success that this country so richly deserves.

**The Presiding Officer:** It is a pity that the minister forgot the old adage of what goes on tour stays on tour.

## Decision Time

17:00

**The Presiding Officer (Tricia Marwick):** There are five questions to be put as a result of today's business. The first question is, that motion S4M-02800, in the name of Kenny MacAskill, on the Police and Fire Reform (Scotland) Bill, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

**For**

Adam, Brian (Aberdeen Donside) (SNP)  
 Adam, George (Paisley) (SNP)  
 Adamson, Clare (Central Scotland) (SNP)  
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Claire (Mid Scotland and Fife) (Lab)  
 Baker, Richard (North East Scotland) (Lab)  
 Beamish, Claudia (South Scotland) (Lab)  
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)  
 Biagi, Marco (Edinburgh Central) (SNP)  
 Bibby, Neil (West Scotland) (Lab)  
 Boyack, Sarah (Lothian) (Lab)  
 Brodie, Chic (South Scotland) (SNP)  
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)  
 Burgess, Margaret (Cunninghame South) (SNP)  
 Campbell, Aileen (Clydesdale) (SNP)  
 Campbell, Roderick (North East Fife) (SNP)  
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)  
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)  
 Constance, Angela (Almond Valley) (SNP)  
 Crawford, Bruce (Stirling) (SNP)  
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)  
 Dey, Graeme (Angus South) (SNP)  
 Don, Nigel (Angus North and Mearns) (SNP)  
 Doris, Bob (Glasgow) (SNP)  
 Dornan, James (Glasgow Cathcart) (SNP)  
 Dugdale, Kezia (Lothian) (Lab)  
 Eadie, Helen (Cowdenbeath) (Lab)  
 Eadie, Jim (Edinburgh Southern) (SNP)  
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)  
 Ewing, Fergus (Inverness and Nairn) (SNP)  
 Fabiani, Linda (East Kilbride) (SNP)  
 Fee, Mary (West Scotland) (Lab)  
 Finnie, John (Highlands and Islands) (SNP)  
 FitzPatrick, Joe (Dundee City West) (SNP)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)  
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)  
 Gray, Iain (East Lothian) (Lab)  
 Griffin, Mark (Central Scotland) (Lab)  
 Henry, Hugh (Renfrewshire South) (Lab)  
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)  
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)  
 Keir, Colin (Edinburgh Western) (SNP)  
 Kelly, James (Rutherglen) (Lab)  
 Lamont, Johann (Glasgow Pollok) (Lab)  
 Lochhead, Richard (Moray) (SNP)  
 Lyle, Richard (Central Scotland) (SNP)  
 MacAskill, Kenny (Edinburgh Eastern) (SNP)  
 MacDonald, Angus (Falkirk East) (SNP)  
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)  
 Macdonald, Lewis (North East Scotland) (Lab)

Macintosh, Ken (Eastwood) (Lab)  
 Mackay, Derek (Renfrewshire North and West) (SNP)  
 MacKenzie, Mike (Highlands and Islands) (SNP)  
 Malik, Hanzala (Glasgow) (Lab)  
 Marra, Jenny (North East Scotland) (Lab)  
 Martin, Paul (Glasgow Provan) (Lab)  
 Mason, John (Glasgow Shettleston) (SNP)  
 Maxwell, Stewart (West Scotland) (SNP)  
 McAlpine, Joan (South Scotland) (SNP)  
 McDonald, Mark (North East Scotland) (SNP)  
 McDougall, Margaret (West Scotland) (Lab)  
 McLeod, Aileen (South Scotland) (SNP)  
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)  
 McMahan, Michael (Uddingston and Bellshill) (Lab)  
 McMahan, Siobhan (Central Scotland) (Lab)  
 McMillan, Stuart (West Scotland) (SNP)  
 McNeil, Duncan (Greenock and Inverclyde) (Lab)  
 McTaggart, Anne (Glasgow) (Lab)  
 Murray, Elaine (Dumfriesshire) (Lab)  
 Neil, Alex (Airdrie and Shotts) (SNP)  
 Park, John (Mid Scotland and Fife) (Lab)  
 Paterson, Gil (Clydebank and Milngavie) (SNP)  
 Pearson, Graeme (South Scotland) (Lab)  
 Pentland, John (Motherwell and Wishaw) (Lab)  
 Robertson, Dennis (Aberdeenshire West) (SNP)  
 Russell, Michael (Argyll and Bute) (SNP)  
 Salmond, Alex (Aberdeenshire East) (SNP)  
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)  
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)  
 Stewart, David (Highlands and Islands) (Lab)  
 Stewart, Kevin (Aberdeen Central) (SNP)  
 Sturgeon, Nicola (Glasgow Southside) (SNP)  
 Swinney, John (Perthshire North) (SNP)  
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)  
 Torrance, David (Kirkcaldy) (SNP)  
 Urquhart, Jean (Highlands and Islands) (SNP)  
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)  
 Wheelhouse, Paul (South Scotland) (SNP)  
 White, Sandra (Glasgow Kelvin) (SNP)  
 Wilson, John (Central Scotland) (SNP)  
 Yousaf, Humza (Glasgow) (SNP)

#### Against

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

#### Abstentions

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

**The Presiding Officer:** The result of the division is: For 93, Against 5, Abstentions 13.

#### *Motion agreed to,*

That the Parliament agrees to the general principles of the Police and Fire Reform (Scotland) Bill.

**The Presiding Officer:** The next question is, that motion S4M-02591, in the name of John Swinney, on the financial resolution for the Police and Fire Reform (Scotland) Bill, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

#### For

Adam, Brian (Aberdeen Donside) (SNP)  
 Adam, George (Paisley) (SNP)  
 Adamson, Clare (Central Scotland) (SNP)  
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Claire (Mid Scotland and Fife) (Lab)  
 Baker, Richard (North East Scotland) (Lab)  
 Beamish, Claudia (South Scotland) (Lab)  
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)  
 Biagi, Marco (Edinburgh Central) (SNP)  
 Bibby, Neil (West Scotland) (Lab)  
 Boyack, Sarah (Lothian) (Lab)  
 Brodie, Chic (South Scotland) (SNP)  
 Brown, Gavin (Lothian) (Con)  
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)  
 Burgess, Margaret (Cunninghame South) (SNP)  
 Campbell, Aileen (Clydesdale) (SNP)  
 Campbell, Roderick (North East Fife) (SNP)  
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)  
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)  
 Constance, Angela (Almond Valley) (SNP)  
 Crawford, Bruce (Stirling) (SNP)  
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)  
 Davidson, Ruth (Glasgow) (Con)  
 Dey, Graeme (Angus South) (SNP)  
 Don, Nigel (Angus North and Mearns) (SNP)  
 Doris, Bob (Glasgow) (SNP)  
 Dornan, James (Glasgow Cathcart) (SNP)  
 Dugdale, Kezia (Lothian) (Lab)  
 Eadie, Helen (Cowdenbeath) (Lab)  
 Eadie, Jim (Edinburgh Southern) (SNP)  
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)  
 Ewing, Fergus (Inverness and Nairn) (SNP)  
 Fabiani, Linda (East Kilbride) (SNP)  
 Fee, Mary (West Scotland) (Lab)  
 Fergusson, Alex (Galloway and West Dumfries) (Con)  
 Finnie, John (Highlands and Islands) (SNP)  
 FitzPatrick, Joe (Dundee City West) (SNP)  
 Fraser, Murdo (Mid Scotland and Fife) (Con)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)  
 Goldie, Annabel (West Scotland) (Con)  
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)  
 Gray, Iain (East Lothian) (Lab)  
 Griffin, Mark (Central Scotland) (Lab)  
 Henry, Hugh (Renfrewshire South) (Lab)  
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)  
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)  
 Keir, Colin (Edinburgh Western) (SNP)  
 Kelly, James (Rutherglen) (Lab)  
 Lamont, Johann (Glasgow Pollok) (Lab)  
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)  
 Lochhead, Richard (Moray) (SNP)  
 Lyle, Richard (Central Scotland) (SNP)  
 MacAskill, Kenny (Edinburgh Eastern) (SNP)  
 MacDonald, Angus (Falkirk East) (SNP)  
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)  
 Macdonald, Lewis (North East Scotland) (Lab)  
 Macintosh, Ken (Eastwood) (Lab)

Mackay, Derek (Renfrewshire North and West) (SNP)  
 MacKenzie, Mike (Highlands and Islands) (SNP)  
 Malik, Hanzala (Glasgow) (Lab)  
 Marra, Jenny (North East Scotland) (Lab)  
 Martin, Paul (Glasgow Provan) (Lab)  
 Mason, John (Glasgow Shettleston) (SNP)  
 Maxwell, Stewart (West Scotland) (SNP)  
 McAlpine, Joan (South Scotland) (SNP)  
 McDonald, Mark (North East Scotland) (SNP)  
 McDougall, Margaret (West Scotland) (Lab)  
 McGrigor, Jamie (Highlands and Islands) (Con)  
 McLeod, Aileen (South Scotland) (SNP)  
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)  
 McMahan, Michael (Uddingston and Bellshill) (Lab)  
 McMahan, Siobhan (Central Scotland) (Lab)  
 McMillan, Stuart (West Scotland) (SNP)  
 McNeil, Duncan (Greenock and Inverclyde) (Lab)  
 McTaggart, Anne (Glasgow) (Lab)  
 Mitchell, Margaret (Central Scotland) (Con)  
 Murray, Elaine (Dumfriesshire) (Lab)  
 Neil, Alex (Airdrie and Shotts) (SNP)  
 Park, John (Mid Scotland and Fife) (Lab)  
 Paterson, Gil (Clydebank and Milngavie) (SNP)  
 Pearson, Graeme (South Scotland) (Lab)  
 Pentland, John (Motherwell and Wishaw) (Lab)  
 Robertson, Dennis (Aberdeenshire West) (SNP)  
 Russell, Michael (Argyll and Bute) (SNP)  
 Salmond, Alex (Aberdeenshire East) (SNP)  
 Scanlon, Mary (Highlands and Islands) (Con)  
 Scott, John (Ayr) (Con)  
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)  
 Smith, Liz (Mid Scotland and Fife) (Con)  
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)  
 Stewart, David (Highlands and Islands) (Lab)  
 Stewart, Kevin (Aberdeen Central) (SNP)  
 Sturgeon, Nicola (Glasgow Southside) (SNP)  
 Swinney, John (Perthshire North) (SNP)  
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)  
 Torrance, David (Kirkcaldy) (SNP)  
 Urquhart, Jean (Highlands and Islands) (SNP)  
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)  
 Wheelhouse, Paul (South Scotland) (SNP)  
 White, Sandra (Glasgow Kelvin) (SNP)  
 Wilson, John (Central Scotland) (SNP)  
 Yousaf, Humza (Glasgow) (SNP)

#### Against

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

**The Presiding Officer:** The result of the division is: For 104, Against 5, Abstentions 0.

#### *Motion agreed to,*

That the Parliament, for the purposes of any Act of the Scottish Parliament resulting from the Police and Fire Reform (Scotland) Bill, agrees to any expenditure of a kind referred to in paragraph 3(b) of Rule 9.12 of the Parliament's Standing Orders arising in consequence of the Act.

**The Presiding Officer:** I remind members that, in relation to the debate on the Scottish Government growth strategy, if the amendment in the name of Kenneth Macintosh is agreed to, the amendment in the name of Gavin Brown falls.

The next question is, that amendment S4M-02808.3, in the name of Kenneth Macintosh, which seeks to amend motion S4M-02808, in the name of John Swinney, on the Scottish Government growth strategy, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

#### For

Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Claire (Mid Scotland and Fife) (Lab)  
 Baker, Richard (North East Scotland) (Lab)  
 Beamish, Claudia (South Scotland) (Lab)  
 Bibby, Neil (West Scotland) (Lab)  
 Boyack, Sarah (Lothian) (Lab)  
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)  
 Dugdale, Kezia (Lothian) (Lab)  
 Eadie, Helen (Cowdenbeath) (Lab)  
 Fee, Mary (West Scotland) (Lab)  
 Gray, Iain (East Lothian) (Lab)  
 Griffin, Mark (Central Scotland) (Lab)  
 Henry, Hugh (Renfrewshire South) (Lab)  
 Kelly, James (Rutherglen) (Lab)  
 Lamont, Johann (Glasgow Pollok) (Lab)  
 Macdonald, Lewis (North East Scotland) (Lab)  
 Macintosh, Ken (Eastwood) (Lab)  
 Malik, Hanzala (Glasgow) (Lab)  
 Marra, Jenny (North East Scotland) (Lab)  
 Martin, Paul (Glasgow Provan) (Lab)  
 McDougall, Margaret (West Scotland) (Lab)  
 McMahan, Michael (Uddingston and Bellshill) (Lab)  
 McMahan, Siobhan (Central Scotland) (Lab)  
 McNeil, Duncan (Greenock and Inverclyde) (Lab)  
 McTaggart, Anne (Glasgow) (Lab)  
 Murray, Elaine (Dumfriesshire) (Lab)  
 Park, John (Mid Scotland and Fife) (Lab)  
 Pearson, Graeme (South Scotland) (Lab)  
 Pentland, John (Motherwell and Wishaw) (Lab)  
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)  
 Stewart, David (Highlands and Islands) (Lab)

#### Against

Adam, Brian (Aberdeen Donside) (SNP)  
 Adam, George (Paisley) (SNP)  
 Adamson, Clare (Central Scotland) (SNP)  
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)  
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)  
 Biagi, Marco (Edinburgh Central) (SNP)  
 Brodie, Chic (South Scotland) (SNP)  
 Brown, Gavin (Lothian) (Con)  
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)  
 Burgess, Margaret (Cunninghame South) (SNP)  
 Campbell, Aileen (Clydesdale) (SNP)  
 Campbell, Roderick (North East Fife) (SNP)  
 Carlaw, Jackson (West Scotland) (Con)  
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)  
 Constance, Angela (Almond Valley) (SNP)  
 Crawford, Bruce (Stirling) (SNP)  
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)  
 Davidson, Ruth (Glasgow) (Con)  
 Dey, Graeme (Angus South) (SNP)  
 Don, Nigel (Angus North and Mearns) (SNP)  
 Doris, Bob (Glasgow) (SNP)  
 Dornan, James (Glasgow Cathcart) (SNP)  
 Eadie, Jim (Edinburgh Southern) (SNP)  
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)  
 Ewing, Fergus (Inverness and Nairn) (SNP)  
 Fabiani, Linda (East Kilbride) (SNP)  
 Fergusson, Alex (Galloway and West Dumfries) (Con)

Finnie, John (Highlands and Islands) (SNP)  
 FitzPatrick, Joe (Dundee City West) (SNP)  
 Fraser, Murdo (Mid Scotland and Fife) (Con)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)  
 Goldie, Annabel (West Scotland) (Con)  
 Grahame, Christine (Midlothian South, Tweeddale and  
 Lauderdale) (SNP)  
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)  
 Hume, Jim (South Scotland) (LD)  
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)  
 Johnstone, Alex (North East Scotland) (Con)  
 Keir, Colin (Edinburgh Western) (SNP)  
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)  
 Lochhead, Richard (Moray) (SNP)  
 Lyle, Richard (Central Scotland) (SNP)  
 MacAskill, Kenny (Edinburgh Eastern) (SNP)  
 MacDonald, Angus (Falkirk East) (SNP)  
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)  
 Mackay, Derek (Renfrewshire North and West) (SNP)  
 MacKenzie, Mike (Highlands and Islands) (SNP)  
 Mason, John (Glasgow Shettleston) (SNP)  
 Maxwell, Stewart (West Scotland) (SNP)  
 McAlpine, Joan (South Scotland) (SNP)  
 McArthur, Liam (Orkney Islands) (LD)  
 McDonald, Mark (North East Scotland) (SNP)  
 McGrigor, Jamie (Highlands and Islands) (Con)  
 McInnes, Alison (North East Scotland) (LD)  
 McLeod, Aileen (South Scotland) (SNP)  
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)  
 McMillan, Stuart (West Scotland) (SNP)  
 Mitchell, Margaret (Central Scotland) (Con)  
 Neil, Alex (Airdrie and Shotts) (SNP)  
 Paterson, Gil (Clydebank and Milngavie) (SNP)  
 Rennie, Willie (Mid Scotland and Fife) (LD)  
 Robertson, Dennis (Aberdeenshire West) (SNP)  
 Russell, Michael (Argyll and Bute) (SNP)  
 Salmond, Alex (Aberdeenshire East) (SNP)  
 Scanlon, Mary (Highlands and Islands) (Con)  
 Scott, John (Ayr) (Con)  
 Scott, Tavish (Shetland Islands) (LD)  
 Smith, Liz (Mid Scotland and Fife) (Con)  
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)  
 Stewart, Kevin (Aberdeen Central) (SNP)  
 Sturgeon, Nicola (Glasgow Southside) (SNP)  
 Swinney, John (Perthshire North) (SNP)  
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)  
 Torrance, David (Kirkcaldy) (SNP)  
 Urquhart, Jean (Highlands and Islands) (SNP)  
 Watt, Maureen (Aberdeen South and North Kincardine)  
 (SNP)  
 Wheelhouse, Paul (South Scotland) (SNP)  
 White, Sandra (Glasgow Kelvin) (SNP)  
 Wilson, John (Central Scotland) (SNP)  
 Yousaf, Humza (Glasgow) (SNP)

**The Presiding Officer:** The result of the division is: For 31, Against 80, Abstentions 0.

*Amendment disagreed to.*

**The Presiding Officer:** The next question is, that amendment S4M-02808.2, in the name of Gavin Brown, which seeks to amend motion S4M-02808, in the name of John Swinney, on the Scottish Government's growth strategy, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

## For

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

## Against

Adam, Brian (Aberdeen Donside) (SNP)  
 Adam, George (Paisley) (SNP)  
 Adamson, Clare (Central Scotland) (SNP)  
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Claire (Mid Scotland and Fife) (Lab)  
 Baker, Richard (North East Scotland) (Lab)  
 Beamish, Claudia (South Scotland) (Lab)  
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)  
 Biagi, Marco (Edinburgh Central) (SNP)  
 Bibby, Neil (West Scotland) (Lab)  
 Boyack, Sarah (Lothian) (Lab)  
 Brodie, Chic (South Scotland) (SNP)  
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)  
 Burgess, Margaret (Cunninghame South) (SNP)  
 Campbell, Aileen (Clydesdale) (SNP)  
 Campbell, Roderick (North East Fife) (SNP)  
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)  
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)  
 Constance, Angela (Almond Valley) (SNP)  
 Crawford, Bruce (Stirling) (SNP)  
 Cunningham, Roseanna (Perthshire South and Kinross-  
 shire) (SNP)  
 Dey, Graeme (Angus South) (SNP)  
 Don, Nigel (Angus North and Mearns) (SNP)  
 Doris, Bob (Glasgow) (SNP)  
 Dornan, James (Glasgow Cathcart) (SNP)  
 Dugdale, Kezia (Lothian) (Lab)  
 Eadie, Helen (Cowdenbeath) (Lab)  
 Eadie, Jim (Edinburgh Southern) (SNP)  
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)  
 Ewing, Fergus (Inverness and Nairn) (SNP)  
 Fabiani, Linda (East Kilbride) (SNP)  
 Fee, Mary (West Scotland) (Lab)  
 Finnie, John (Highlands and Islands) (SNP)  
 FitzPatrick, Joe (Dundee City West) (SNP)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)  
 Grahame, Christine (Midlothian South, Tweeddale and  
 Lauderdale) (SNP)  
 Gray, Iain (East Lothian) (Lab)  
 Griffin, Mark (Central Scotland) (Lab)  
 Henry, Hugh (Renfrewshire South) (Lab)  
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)  
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)  
 Keir, Colin (Edinburgh Western) (SNP)  
 Kelly, James (Rutherglen) (Lab)  
 Lamont, Johann (Glasgow Pollok) (Lab)  
 Lochhead, Richard (Moray) (SNP)  
 Lyle, Richard (Central Scotland) (SNP)  
 MacAskill, Kenny (Edinburgh Eastern) (SNP)  
 MacDonald, Angus (Falkirk East) (SNP)  
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)  
 Macdonald, Lewis (North East Scotland) (Lab)  
 Macintosh, Ken (Eastwood) (Lab)  
 Mackay, Derek (Renfrewshire North and West) (SNP)

MacKenzie, Mike (Highlands and Islands) (SNP)  
 Malik, Hanzala (Glasgow) (Lab)  
 Marra, Jenny (North East Scotland) (Lab)  
 Martin, Paul (Glasgow Provan) (Lab)  
 Mason, John (Glasgow Shettleston) (SNP)  
 Maxwell, Stewart (West Scotland) (SNP)  
 McAlpine, Joan (South Scotland) (SNP)  
 McDonald, Mark (North East Scotland) (SNP)  
 McDougall, Margaret (West Scotland) (Lab)  
 McLeod, Aileen (South Scotland) (SNP)  
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)  
 McMahon, Michael (Uddingston and Bellshill) (Lab)  
 McMahon, Siobhan (Central Scotland) (Lab)  
 McMillan, Stuart (West Scotland) (SNP)  
 McNeil, Duncan (Greenock and Inverclyde) (Lab)  
 McTaggart, Anne (Glasgow) (Lab)  
 Murray, Elaine (Dumfriesshire) (Lab)  
 Neil, Alex (Airdrie and Shotts) (SNP)  
 Park, John (Mid Scotland and Fife) (Lab)  
 Paterson, Gil (Clydebank and Milngavie) (SNP)  
 Pearson, Graeme (South Scotland) (Lab)  
 Pentland, John (Motherwell and Wishaw) (Lab)  
 Robertson, Dennis (Aberdeenshire West) (SNP)  
 Russell, Michael (Argyll and Bute) (SNP)  
 Salmond, Alex (Aberdeenshire East) (SNP)  
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)  
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)  
 Stewart, David (Highlands and Islands) (Lab)  
 Stewart, Kevin (Aberdeen Central) (SNP)  
 Sturgeon, Nicola (Glasgow Southside) (SNP)  
 Swinney, John (Perthshire North) (SNP)  
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)  
 Torrance, David (Kirkcaldy) (SNP)  
 Urquhart, Jean (Highlands and Islands) (SNP)  
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)  
 Wheelhouse, Paul (South Scotland) (SNP)  
 White, Sandra (Glasgow Kelvin) (SNP)  
 Wilson, John (Central Scotland) (SNP)  
 Yousaf, Humza (Glasgow) (SNP)

#### Abstentions

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

**The Presiding Officer:** The result of the division is: For 13, Against 93, Abstentions 5.

*Amendment disagreed to.*

**The Presiding Officer:** The next question is, that motion S4M-02808, in the name of John Swinney, on the Scottish Government's growth strategy, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

#### For

Adam, Brian (Aberdeen Donside) (SNP)  
 Adam, George (Paisley) (SNP)  
 Adamson, Clare (Central Scotland) (SNP)  
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)  
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)  
 Biagi, Marco (Edinburgh Central) (SNP)  
 Brodie, Chic (South Scotland) (SNP)  
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)  
 Burgess, Margaret (Cunninghame South) (SNP)  
 Campbell, Aileen (Clydesdale) (SNP)

Campbell, Roderick (North East Fife) (SNP)  
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)  
 Constance, Angela (Almond Valley) (SNP)  
 Crawford, Bruce (Stirling) (SNP)  
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)  
 Dey, Graeme (Angus South) (SNP)  
 Don, Nigel (Angus North and Mearns) (SNP)  
 Doris, Bob (Glasgow) (SNP)  
 Dornan, James (Glasgow Cathcart) (SNP)  
 Eadie, Jim (Edinburgh Southern) (SNP)  
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)  
 Ewing, Fergus (Inverness and Nairn) (SNP)  
 Fabiani, Linda (East Kilbride) (SNP)  
 Finnie, John (Highlands and Islands) (SNP)  
 FitzPatrick, Joe (Dundee City West) (SNP)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)  
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)  
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)  
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)  
 Keir, Colin (Edinburgh Western) (SNP)  
 Lochhead, Richard (Moray) (SNP)  
 Lyle, Richard (Central Scotland) (SNP)  
 MacAskill, Kenny (Edinburgh Eastern) (SNP)  
 MacDonald, Angus (Falkirk East) (SNP)  
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)  
 Mackay, Derek (Renfrewshire North and West) (SNP)  
 MacKenzie, Mike (Highlands and Islands) (SNP)  
 Mason, John (Glasgow Shettleston) (SNP)  
 Maxwell, Stewart (West Scotland) (SNP)  
 McAlpine, Joan (South Scotland) (SNP)  
 McDonald, Mark (North East Scotland) (SNP)  
 McLeod, Aileen (South Scotland) (SNP)  
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)  
 McMillan, Stuart (West Scotland) (SNP)  
 Neil, Alex (Airdrie and Shotts) (SNP)  
 Paterson, Gil (Clydebank and Milngavie) (SNP)  
 Robertson, Dennis (Aberdeenshire West) (SNP)  
 Russell, Michael (Argyll and Bute) (SNP)  
 Salmond, Alex (Aberdeenshire East) (SNP)  
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)  
 Stewart, Kevin (Aberdeen Central) (SNP)  
 Sturgeon, Nicola (Glasgow Southside) (SNP)  
 Swinney, John (Perthshire North) (SNP)  
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)  
 Torrance, David (Kirkcaldy) (SNP)  
 Urquhart, Jean (Highlands and Islands) (SNP)  
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)  
 Wheelhouse, Paul (South Scotland) (SNP)  
 White, Sandra (Glasgow Kelvin) (SNP)  
 Wilson, John (Central Scotland) (SNP)  
 Yousaf, Humza (Glasgow) (SNP)

#### Against

Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Claire (Mid Scotland and Fife) (Lab)  
 Baker, Richard (North East Scotland) (Lab)  
 Beamish, Claudia (South Scotland) (Lab)  
 Bibby, Neil (West Scotland) (Lab)  
 Boyack, Sarah (Lothian) (Lab)  
 Brown, Gavin (Lothian) (Con)  
 Carlaw, Jackson (West Scotland) (Con)  
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)  
 Davidson, Ruth (Glasgow) (Con)  
 Dugdale, Kezia (Lothian) (Lab)  
 Eadie, Helen (Cowdenbeath) (Lab)  
 Fee, Mary (West Scotland) (Lab)  
 Fergusson, Alex (Galloway and West Dumfries) (Con)  
 Fraser, Murdo (Mid Scotland and Fife) (Con)

Goldie, Annabel (West Scotland) (Con)  
 Gray, Iain (East Lothian) (Lab)  
 Griffin, Mark (Central Scotland) (Lab)  
 Henry, Hugh (Renfrewshire South) (Lab)  
 Hume, Jim (South Scotland) (LD)  
 Johnstone, Alex (North East Scotland) (Con)  
 Kelly, James (Rutherglen) (Lab)  
 Lamont, Johann (Glasgow Pollok) (Lab)  
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)  
 Macdonald, Lewis (North East Scotland) (Lab)  
 Macintosh, Ken (Eastwood) (Lab)  
 Malik, Hanzala (Glasgow) (Lab)  
 Marra, Jenny (North East Scotland) (Lab)  
 Martin, Paul (Glasgow Provan) (Lab)  
 McArthur, Liam (Orkney Islands) (LD)  
 McDougall, Margaret (West Scotland) (Lab)  
 McGrigor, Jamie (Highlands and Islands) (Con)  
 McInnes, Alison (North East Scotland) (LD)  
 McMahon, Michael (Uddingston and Bellshill) (Lab)  
 McMahon, Siobhan (Central Scotland) (Lab)  
 McNeil, Duncan (Greenock and Inverclyde) (Lab)  
 McTaggart, Anne (Glasgow) (Lab)  
 Mitchell, Margaret (Central Scotland) (Con)  
 Murray, Elaine (Dumfriesshire) (Lab)  
 Park, John (Mid Scotland and Fife) (Lab)  
 Pearson, Graeme (South Scotland) (Lab)  
 Pentland, John (Motherwell and Wishaw) (Lab)  
 Rennie, Willie (Mid Scotland and Fife) (LD)  
 Scanlon, Mary (Highlands and Islands) (Con)  
 Scott, John (Ayr) (Con)  
 Scott, Tavish (Shetland Islands) (LD)  
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)  
 Smith, Liz (Mid Scotland and Fife) (Con)  
 Stewart, David (Highlands and Islands) (Lab)

**The Presiding Officer:** The result of the division is: For 62, Against 49, Abstentions 0.

*Motion agreed to,*

That the Parliament supports the Scottish Government's approach to accelerating recovery, supporting long-term sustainable economic growth and boosting employment, as set out in the *Government Economic Strategy*, including the focus on growth sectors and growth markets; notes the UK's double-dip recession and, in light of this, recognises the alternative approach pursued by the Scottish Government and its calls for an urgent economic stimulus from the UK Government in the form of shovel-ready projects; notes the focus of the Scottish Government and its agencies, Scottish Development International, Scottish Enterprise and Highlands and Islands Enterprise in boosting international exports and securing international investment; recognises that growth sectors including food and drink, tourism, finance, life sciences, energy and low-carbon industries are performing well; welcomes the further actions that the Scottish Government is taking to ensure that Scotland continues to increase its international presence by pursuing opportunities in growing export markets and by continuing to attract substantial international inward investments.

## Dewar Report (Centenary)

### **The Deputy Presiding Officer (John Scott):**

The final item of business is a members' business debate on motion S4M-02016, in the name of Dave Thompson, on the centenary of the Dewar report. The debate will be concluded without any question being put.

*Motion debated,*

That the Parliament congratulates the Dewar 2012 Committee on organising a programme of events and a touring exhibition to commemorate and raise awareness of the centenary of the publication of the *Report of the Highlands and Islands Medical Service Committee*, the Dewar Report, by Inverness MP, Sir John Dewar; notes that the report shocked contemporary politicians with its portrayal of the inadequate provision of health services in the Highlands and Islands; recognises that the report resulted in the establishment of the Highlands and Islands Medical Service (HIMS), which it considers transformed the medical service in the Highlands with its commitment to high quality health care, its bottom-up structure and its careful consideration of the needs of rural health care, and considers that HIMS was the first model of state-funded healthcare in the world and provided the blueprint for the NHS in Scotland.

17:08

### **Dave Thompson (Skye, Lochaber and Badenoch) (SNP):**

In the first few decades of the previous century, a Welsh MP and Chancellor of the Exchequer introduced a string of reforms that tackled social inequality and delivered welfare provision to men and women across the country. David Lloyd George's welfare reforms should be compulsory history reading for every school pupil, followed by a chapter on William Beveridge's proposal for the welfare state and a chapter on Aneurin Bevan's establishment of the national health service. I applaud those men for not being so obsessed with power as to be oblivious to injustice, or so concerned with Parliament as to forget the needs of the people.

However, there is one important chapter in the history books of welfare and social injustice that also needs to be read, and it is entitled "Sir John Dewar and the Highlands and Islands Medical Service". This year, we celebrate the centenary of state-funded medical care because—contrary to popular belief—it was neither Beveridge nor Bevan who spearheaded the free, local and accessible healthcare system that we call the NHS. In fact, more than 30 years before that, the blueprint was drawn in the Highlands and Islands by the MP for Inverness-shire, Sir John Dewar.

At the turn of the 20th century, the Highlands and Islands were extremely impoverished; their inhabitants lived in poor conditions without access to transport, to medical services or even to adequate food. During his committee's tour of the

Highlands and Islands, Sir John Dewar conducted a series of meetings with local residents to ascertain the needs and requirements of the people—a bottom-up approach that we should emulate today. Sir John documented his findings in a report that became known as the Dewar report, and proposed the creation of the Highlands and Islands medical service.

The Highlands and Islands medical service enshrined three inspirational principles, which we still commend today: the right of every individual in society to local and accessible healthcare, the responsibility of the state to provide healthcare to every individual, regardless of their ability to pay, and the importance of delivering good-quality, well-organised and satisfactory medical services. Sir John's recommendations were accepted in their entirety by the Government and they revolutionised medical care in remote and rural areas.

Historians accept that the Highlands and Islands medical service was well ahead of its time. By 1929, there were 175 nurses, 160 doctors and 150 practices in the Highlands and Islands, and in 1935, the first air ambulance service was established. In 1948, the national health service brought together services that had previously been provided by a combination of the Highlands and Islands medical service, charities and private organisations.

The NHS in Scotland has been very successful. I believe that that is because it has not deviated from the basic principles and values that were enshrined in the Dewar report. As NHS Scotland watches its southern sister suffer at the hands of a United Kingdom Government that does not seem to value the principles that were enshrined in the Dewar report, or to remember the history that gave birth to the NHS, we in Scotland can be relieved that the Scottish Government has a very different attitude.

The most appropriate way to celebrate Sir John Dewar, the Dewar report and the Highlands and Islands medical service is to continue the good work that was begun 100 years ago. As we consider how to protect and improve medical services throughout Scotland, we already have the foundation of having an exceptionally good model on which to build; as we update the NHS to meet the demands and needs of the 21st century, we must not discard the building blocks of the Dewar report. The NHS in Scotland must still be accessible to every individual in society, irrespective of geographical location, ability to pay or medical needs.

It is because of my firm belief in free and accessible local healthcare that I lodged a parliamentary motion on the centenary of the Dewar report. In my constituency of Skye,

Lochaber and Badenoch, there are many remote and rural communities that bring challenges to delivery of healthcare, just as they did in Sir John Dewar's day.

Last year, I spoke to Dr Stephen McCabe, who is a doctor based in Portree—I think that he is in the gallery today. He has been active in promoting the centenary, as have Dr Miles Mack of Dingwall and Dr Jim Douglas of Fort William, who are also constituents of mine. Indeed, the Dewar committee is holding a reception after the debate, to which all members are cordially invited. Dr McCabe told me that many of the issues that Sir John Dewar highlighted in 1912 were still evident when he came to Skye in 1996 and are still evident. The challenges include lack of employment opportunities, poor public transport, poor housing and rural poverty. Although many of the issues are masked by a stunningly beautiful landscape and hard-working people, Dr McCabe comes face to face with the challenges of healthcare provision in remote and rural communities every single day.

Many communities in my constituency have the same problems as Skye has. Just this week, I have raised with NHS Highland the difficulty of retaining medical staff in Ardnamurchan, following the resignation of the two general practitioners and the practice manager at Acharacle, partly because of the problems of providing a GP service in such a remote and sparsely populated area.

In Scotland in the 21st century, we need to ensure that we stay true to the foundations of the national health service. We must be careful not to overlook rural medical needs in favour of urban environments, in the rush to make savings. We need to ensure that medical care is easily accessible, while taking into account the longer and more expensive travel that is required in remote areas. We must work hard to deliver health services that are fit for purpose with adequate resources and professional staff.

Protecting, improving and providing medical care in Scotland requires a collaborative relationship between healthcare professionals and politicians. I value that relationship with doctors and healthcare professionals in my constituency and I hope that, together, we can build up our health services to a standard that would surprise even Sir John Dewar with their accessibility, efficiency and quality.

17:15

**John Finnie (Highlands and Islands) (SNP):** I thank Dave Thompson for bringing the debate to Parliament. I was born and brought up in rural Inverness-shire, blissfully unaware of the Dewar report. The education authority was fixated on the

Roman and Norman invasions, so the teaching concentrated on those issues. That was a lost opportunity, because Sir John Dewar would have been an excellent role model for us all, so I am grateful to Dave Thompson for highlighting the issue. Lloyd George is to be commended for setting up the Dewar committee. The terms of reference clearly indicate the humanity that underpinned the process.

I am grateful to the British Medical Association for the briefing that it has provided, and which makes terrible reading in that it describes appalling squalid conditions, malnourished children and high infant mortality. Those aspects, and the fact that one in five deaths went uncertificated by a doctor, is what concerns me. Certification is not a cold administrative process—we value life by determining issues about death.

It would not have been called a road show or focus groups, but the Dewar committee went on a tour and took evidence. It would have been fascinating to listen to that. We cannot change the geography of the Highlands and nor would we seek to do so; people have a right to live and prosper in challenging environments. The Highlands and Islands are full of vibrant communities. As the Dewar report indicated, the Government has a duty to provide and, as Dave Thompson eloquently said, parties across Parliament support the work of the NHS in Scotland.

I am proud that the report introduced the first public healthcare system in the world and that it formed the basis of the start of the NHS in 1948. I wonder what Sir John Dewar would think of the service today. We had a temporary blip yesterday, with the air ambulances being out of service and cover being provided by the military and the coastguard. He would have felt that such provision goes a long way towards dealing with the transport problems to which Dave Thompson alluded.

We still have poor housing and poverty, and rural deprivation is not always recognised. As has been said with reference to west Ardnamurchan, the delivery of healthcare remains challenging, and that is also the case in Wester Ross. Clearly, we cannot have a specialist in every town or township, so people's expectations must be realistic. However, there are creative ways of meeting the challenges, and the Cabinet Secretary for Health, Wellbeing and Cities Strategy has addressed the issues in those locations.

The equal top measures in Oxfam's humankind index are "Affordable, decent and safe home" and "Physical and mental health". Dave Thompson talked about free and accessible healthcare, which we should strive to ensure remains a foundation stone of Scottish society. Sir John Dewar served as the member of Parliament for Inverness-shire

from 1900 to 1917; what parliamentarian would not wish for the legacy that he left through the report that was produced.

17:19

**Dr Richard Simpson (Mid Scotland and Fife) (Lab):** I congratulate Dave Thompson on securing the debate. I confess that, despite being a doctor, I was not aware of the Dewar legacy until last year, when David Stewart lodged a similar motion. At that time I took the trouble to look up the issue.

When, in 1851, the Royal College of Physicians of Edinburgh carried out an early investigation into the deficiencies of medical provision in the Highlands and Islands, it found that only 62 of 170 parishes had a resident doctor and that 41 parishes could be

"regarded as destitute of medical aid".

Sir John Dewar's report in 1912 was the world's first analysis of health provision in rural communities, and the analysis and recommendations in that Edwardian study remain just as pertinent in current debates about providing healthcare to Scotland's rural communities. Dewar's principal recommendations included better training for rural doctors, better use of transport and technology, and guaranteed minimum levels of service provision for rural populations, despite geography. However, the Highlands and Islands medical service was not established until 1923 and Sir John must have been as concerned as some of us are today about the rate of progress that can be made on such matters. It is not easy for Governments to make changes, although I have to say that 11 years seems to be a rather long time to take to introduce such a service.

I agree with Dave Thompson that the HIMS provided the template for the future NHS. Interestingly, Ernest Beveridge, who was a Liberal, was the research assistant for Sidney and Beatrice Webb at around the time the Dewar report was being formulated and might well have picked up from that some of the material he subsequently translated into the reforms that Aneurin Bevan took forward and which resulted in one of the world's greatest social creations.

Current healthcare provision problems in remote and rural Scotland include recruitment, retention and, as John Finnie pointed out, increasing specialisation across the professions. I know that general practice is a recognised specialty, but it is difficult to take the approach to generalism in rural general hospitals.

Through the World Organization of National Colleges, Academies and Academic Associations of General Practitioners/Family Physicians,

Australian and Canadian general practitioners have led the world in defining modern rural practice and the training that is required. WONCA's working party on rural practice has gone a long way in that direction and has given us some suggestions about what should be happening.

In Norway and Sweden, rural healthcare is underpinned by telemedicine and a well-organised transport infrastructure, including fast boats. I know that we are endeavouring to increase the use of telemedicine in our own setting. The centre for rural health, which was set up by Labour, has been continued by the current Government and important managed clinical networks have been developed in the Highlands. Medical and communications technology have been improved, emergency response times have been maintained by community first responders, defibrillation teams and rural GPs attending road accidents and—as far as coronary disease is concerned—emergency call-to-needle times are being reduced by paramedics giving pre-hospital thrombolysis supported by telelinks to coronary care.

However, it should be pointed out that rural general hospitals in Shetland, Orkney, Stornoway, Fort William, Oban and Elgin are having problems in maintaining consultant-led services because of the increasing specialisation that I mentioned, the European working time directive and the reduced training time for consultants, which means that consultants who come through now are less experienced than those in the previous generations. Although all those elements raise challenges, they also provide hope for the future provision of healthcare in remote and rural Scotland.

The Government's 2008 report set out what I thought were very challenging implementation plans and tight timescales, and I wonder whether the cabinet secretary will tell us whether all the dates, none of which went beyond December 2009, were met, and whether she will place in the Scottish Parliament information centre details about the plans' implementation.

Presiding Officer, I apologise for going on a little longer than usual. In conclusion, I believe that remote and rural healthcare will continue to be a challenge and that the integration of services for health and social care will be as important in those settings as it will be in more urban settings. Although we owe a debt to Dewar, we also owe it to today's communities to strive for better services now.

17:24

**Joan McAlpine (South Scotland) (SNP):** I congratulate Dave Thompson on securing the

debate on the centenary of the Dewar report. It has been an educational experience for me, as it has been for the other members who have mentioned researching their speeches. I was unfamiliar with the Dewar report until fairly recently.

I have not just learned more about the Highlands and Islands medical service and its role as a model for our NHS; I have also learned something about Scottish film history, because one of the best sources of information about the Dewar report is the 1943 film "Highland Doctor", which was filmed on the islands of Lewis, Harris and North Uist, and on the mainland at Ullapool, Inverness and Dingwall. It was directed by Kay Mander, who settled in Castle Douglas in Dumfries and Galloway, which is one of the areas of South Scotland that I represent. She was one of the first female film-makers and helped to shape British documentary film-making in the 1930s and 1940s with the dramatised documentary format.

The film "Highland Doctor" was used for overtly political reasons—to make the case for the NHS, which was obviously very successful a few years later. It opens with an old Highland doctor, played by Alexander Mackenzie, describing practice in the Highlands before the Dewar report transformed the service. He describes vividly his patients being scattered around the country like threepenny bits in a Christmas pudding. There is footage of doctors travelling along dirt roads in pony traps, signalling to patients on islands using semaphore, and hiring rowing boats to attend emergencies.

We can see that the film-makers paid close attention to the evidence that was led in the Dewar report, because the report is now available online. Some of it makes for quite startling reading, as John Finnie said. I will take the liberty of reading out a little bit. Dr Bremner of Sutherland said:

"When I go to the west (of Sutherland) the people flock round me. It is difficult to get away."

Dr Leach of Beaully said:

"Honest people, if they cannot pay for his services, won't send for a doctor until it is too late."

Dr MacLennan of Thurso said

"I might mention that one finds generally that a large proportion of non-attendance exists among children."

The Highlands and Islands medical service put an end to all that and we should constantly remind ourselves of that.

I also congratulate the committee that is organising the Dewar centenary. It is worth drawing attention to the fact that many of the members of the committee are rural doctors who are committed to rural healthcare, and many of

them are members of the remote and rural health education alliance.

As other members have mentioned, although the healthcare landscape in remote areas has improved beyond measure in the past 100 years, some familiar problems remain—for example, recruitment and retention of staff.

Some members will have had time to look at the 2010 final report of the remote and rural implementation group that was formed to oversee implementation of the recommendations of the Scottish Government's "Delivering for Remote and Rural Healthcare" report. It highlights some achievements, including the development of an education and performance management framework to ensure that services in remote community hospitals can be delivered, the establishment of the aerial medical emergency retrieval service, and the establishment of new specialist training programmes in remote and rural general surgery, anaesthesia and general medicine. It concludes that many of the targets that were set by the implementation group have been met, but highlights the work that still needs to be done.

There is always work to be done, particularly when budgets are under considerable pressure. However, I have every confidence that today's rural medical professionals, like those of the Highlands and Islands medical service, will continue to do their utmost to deliver for patients, and that the NHS in Scotland will stay true to the universal principle that was first laid down in the Dewar report.

17:29

**Mary Scanlon (Highlands and Islands) (Con):**

I have to be honest and say that I have rarely found an opportunity to thank Dave Thompson for anything, as he knows, but today is different. It is worthy for a member's business debate to commemorate the centenary of the Dewar report, and I thank Dave Thompson most kindly.

I welcome visitors to the gallery—there are one or two familiar faces there, including Miles Mack.

I also acknowledge today's challenges, particularly, as the health secretary knows, in relation to Ardnamurchan.

The motion is fairly polite and diplomatic in stating that

"the report shocked contemporary politicians with its portrayal of the inadequate provision of health services in the Highlands and Islands".

It certainly was inadequate. Many crofters and their families could not afford medical care and treatment, and general medical practice rested largely on minimal subsidies from the poor law

authorities and other public authorities. The Dewar report states that

"the remuneration from these various authorities bears no proper relation to the work done or to the degree of responsibility involved."

As a result, as Joan McAlpine outlined, individual practitioners were discouraged and medical services as a whole suffered.

I found the Dewar report interesting. I did not expect to read as much of it as I did. One of the most harrowing parts of the report is part 4, on evidence of the inadequacy of medical attendance relating to uncertified deaths. Figures provided by Dr Macdonald, medical officer of health for the county of Inverness, confirmed that, out of a total of 3,825 persons who died, 1,821 had not received medical attendance for some time prior to their death. That means that 47 per cent of those who died had received little or no medical attendance. At a time when, in the whole of Scotland, the average percentage of deaths that were uncertified was 2 per cent, in Uig it was 69 per cent, in Shieldaig and Applecross it was 78 per cent and in Coigach and Lochbroom it was 81 per cent. In the parish of Kilchoan, in Ardnamurchan, between 1907 and 1909 the total number of deaths was 33 of which 30 were uncertified and only three were certified by a doctor. Dr Macdonald of Inverness also stated that the deaths were among very young people—children—or very old people and were due, to a large extent, to poverty and inaccessibility.

Another part of the Dewar report that I found interesting was under the heading "Qualifications of Nurses". Under the subheading "Maternity Nurses", the report states:

"These are women—generally widows—who have attended a course of lectures and have conducted a certain number of confinements under the supervision of a medical man or midwife attached to a teaching institution ... The duration of the courses, both theoretical and practical, is three months."

"Cottage Nurses" trained

"for a period varying from six to twelve months"

and "Fully Trained Nurses"

"had three years' hospital training in a recognised hospital of not less than 100 beds".

The Dewar report highlighted the inadequate number of nurses and the need for efficient nursing for

(a) The birth and infancy of children.

(b) The "following up" and treatment of diseases and defects in children as disclosed by school medical inspection.

(c) Promoting among the people a knowledge of personal and household hygiene, dietary, etc.

(d) The earlier detection of illness."

The outcome of the chapter was a recommendation that

“all existing voluntary nursing agencies,”—

many of them were charitable—

“where practicable, be organised under a county or district scheme”

and that nursing be an integral part of the medical service. We cannot imagine otherwise today. It was also recommended that suitable houses be provided for the nurses and that telegraphs/telephones be made available to them and to Scottish hospitals.

Those recommendations and many others more than justified the committee of seven men and one woman going out on foot, on horseback and by boat to 17 remote locations from Argyll to Shetland and from the east Highlands and highland Perthshire to the Western Isles. With doctors guaranteed a minimum salary and reimbursement of travel, and with a guarantee of involvement in public health, school work and attendance at childbirth, the service was formed in 1913 with a grant of £42,000.

Without any shadow of doubt, the Highlands and Islands medical service revolutionised healthcare for more than 300,000 people on half the landmass of Scotland. Unlike other local medical schemes, it was directly funded by the state and administered centrally by the Scottish Office in Edinburgh. By 1948, it had already been providing comprehensive healthcare for 35 years when the rest of Britain was about to experience a national health service for the first time.

17:35

**Jean Urquhart (Highlands and Islands) (SNP):** I congratulate Dave Thompson on enlightening me and others about the Dewar report. I have lived in the Highlands for only the past 40 years rather than for 100 years, and those 100 years have been fascinating and the history is quite different in many respects from that of other parts of Scotland.

Many reports and books have been written, some of which are told from a crofter's point of view. I think that I am right in saying that there are a couple of books from that period and earlier by the Highland doctor, most of which are fairly amusing. The doctor may have had a hard time, but there were often great stories to be told, and those books probably reflect life in the Highlands better than anything.

I remember reading that, at the time, if money had to be paid for a fee, it was more likely to go to the vet than to the doctor, but the vet was known to treat ringworm in children as well as in cattle. We have—thank god—moved on from those

times, and much of what was in the Dewar report has come to pass. However, we still face difficulties in creating and delivering a universal health service in remote and rural Highland.

We can be optimistic about two things, one of which is the future of telemedicine. Although people groan and say, “We don't like change,” and, “Change comes hard,” we can, by enabling self-empowerment in health, face the challenge of becoming a healthy nation. Many of the health issues across the Highlands are to do with conditions that we can challenge as communities and as individuals. That is not to say that we do not need doctors, but it is possible to achieve general health in the Highlands, and there are many opportunities for us to live healthy lifestyles.

In the 100 years since the Dewar report, depopulation has taken place, with occasional blips when there has been growth in large industry. For example, the oil industry in Shetland, the post-war developments in Dounreay and Caithness and the smelter in Invergordon created populations who moved there for the work. The second cause for optimism is that, in the past few years, there has been, for the first time, a genuine increase not only in the population, which has been increasing for the past 12 years, but in the birth rate. For me, that is a real signal that the Highlands have become an attractive place in which to live and work, and health and living in rural communities that are not unused to having to make things work for themselves are part of that image.

There are many other services that we might consider to be universal that are not delivered to every corner. We would not expect them to be, nor should we pretend that we can do that. However, we can inspire healthy communities, and Highlands and Islands communities will generally respond positively when they are offered such opportunities.

I will cite—as I have done previously in the chamber—some of the research carried out by Dr Jane Farmer at the University of the Highlands and Islands. I know that the research did not work everywhere, but where it did work we found that, where 20 people had been upset at the withdrawal of a social service—whether that was in the form of a lunch club or whatever—suddenly 60 people were doing things for themselves and increasing and looking after their own health. We know that the existence of certain regulations can be a barrier to that. I know a couple of old crofters who have been crofting all their lives and are nervous of regulation and other things with which they feel they can no longer cope. Their sheep and lifestyle are probably what keep them healthy.

For the next 100 years, I would like those of us in the Highlands and Islands to consider what we,

as communities, can do and how we respond to one another. That is what brings many people to live and work in the Highlands and keeps many people there. We do it really well when we get it. When the community grasps that we can be in charge of 50 per cent of our health ourselves, another report—perhaps in 50 years' time—may provide a different reflection on the health service that we need to deliver.

17:40

**The Deputy First Minister and Cabinet Secretary for Health, Wellbeing and Cities Strategy (Nicola Sturgeon):** I am delighted to have the opportunity to participate in the debate. Like other members before me, I congratulate Dave Thompson on bringing the topic to the Parliament and giving the Dewar report the profile and recognition that it deserves. I also thank all members who have participated in the debate.

I also welcome the doctors who have joined us in the public gallery. I know, not least from the fact that I follow some of them on Twitter, that they have been doing a fantastic job of promoting the centenary of the Dewar report. I thank them sincerely for the work that they, like Dave Thompson, have done and continue to do to raise awareness of the report, the significance that it had 100 years ago and the significance that it has today.

The debate has been very good. There is a real sense of history about it. Each of us—not only people from the Highlands and Islands, but everybody in Scotland—should take pride in the place that the Dewar report and the Highlands and Islands medical service have in the history of our national health service. Given the defining impact that the report had, it is right that we celebrate its centenary and give it the recognition that it deserves.

Like others who have spoken in the debate, I managed to get through my primary, secondary and tertiary education, as well as nine years in the Parliament, without knowing about either the content or even the existence of the Dewar report. It was not until, as Cabinet Secretary for Health and Wellbeing, I was preparing for the NHS's 60th anniversary celebrations that I became aware of the report and the Highlands and Islands medical service. I was completely fascinated and blown away by what I learned at that time.

If we can and should do one thing to celebrate the report's centenary, it is to resolve and pledge individually and collectively that future generations of Scots will know about the report and the Highlands and Islands medical service and will know about and be proud of the way in which they paved the way for our national health service. That

would be an important legacy of the centenary celebration.

As others have said, the report was, in many ways, shocking. It gave politicians of the day a real jolt. It also—I say this not only because doctors are listening in the public gallery—demonstrated the leading role that doctors have played, and continue to play, in the drive for social justice.

For all those reasons, we should celebrate the centenary with pride, but I will isolate two overriding and overarching reasons why the celebration is so necessary and appropriate. First, without a shadow of a doubt, the Dewar report set down solid foundations for the provision of healthcare for people who live in remote and rural areas. Let us never forget that, today, that means one in five of all of us who live in Scotland. Those foundations continue to have resonance today. Secondly, as others have said, the Dewar report paved the way for the NHS that we know today. For that reason, it is no exaggeration to say that Sir John Dewar should be seen alongside Nye Bevan as one of the founding fathers of our modern national health service.

The debate is partly about history, but it is also about the present and the future. The principles and recommendations of the Dewar report still inform our approach to rural healthcare today. They underpin the principles in "Delivering for Remote and Rural Healthcare", the strategy that we published back in 2007. As John Finnie and others said, delivering healthcare in remote and rural areas was challenging, remains challenging and will probably always be challenging, but there is no doubt that the Dewar report can claim to be the philosophical driving force behind so many of the changes that have been made in the past five years.

Some of those changes have been mentioned in the debate; for example, telemedicine was mentioned by a number of members. However, the two changes that I want to highlight today, because I believe that they have been transformational in the way in which we deliver services, are the emergency medical retrieval service and the embedding in our national health service of six rural general hospitals. They provide sustainable models of care so that people can be clear about the conditions that can and will be treated locally.

The emergency medical retrieval service was piloted and then rolled out across all of remote and rural Scotland in 2010. I guess that Sir John Dewar would have thoroughly approved of the service, but he would probably have been astounded by our ability to deliver such a service. It is something of which we should be extremely proud.

There is no doubt that remote and rural healthcare has come a long way since the Dewar report was published 100 years ago but, equally, there is no doubt that without that early and, at the time, shocking report, we would not have seen many of the changes and developments or much of the progress that we have seen—we would not be where we are today.

The second reason why we should celebrate the Dewar report is that it paved the way for the institution that we all love so dearly—the national health service. The Highlands and Islands medical service was not just the first model of state-funded health care in the United Kingdom but the first model of its kind anywhere in the world. It was the blueprint for the modern national health service.

Our model of publicly funded and delivered healthcare is not perfect. No system of delivering healthcare is perfect. However, I can say without any doubt that I believe that our model of healthcare is the best in the world, and I am extremely proud of it. It is called into question in other parts of the United Kingdom, but I believe that the commitment to that model of healthcare on the part of this Government, this Parliament and this nation is unshakeable. Let the final thing that we do in this debate to celebrate this important anniversary be to reaffirm as a Government, a Parliament and a society the precious principle of a universal health service that is free at the point of need and publicly delivered. On behalf of the Scottish Government, I reaffirm that loudly and clearly.

**The Deputy Presiding Officer:** Many thanks. I now close this meeting of Parliament.

*Meeting closed at 17:48.*

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e-format first available  
ISBN 978-1-4061-8845-5

Revised e-format available  
ISBN 978-1-4061-8858-5

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Printed in Scotland by APS Group Scotland

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