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Scottish Parliament

Wednesday 7 September 2016

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

Portfolio Question Time

The Presiding Officer (Ken Macintosh): Good afternoon. The first item of business today is portfolio questions.

Finance and the Constitution

Onshore Revenue

1. **David Torrance (Kirkcaldy) (SNP):** To ask the Scottish Government how Scotland's onshore revenue compares with the rest of the United Kingdom. (S5O-00091)

The Cabinet Secretary for Finance and the Constitution (Derek Mackay): Scotland's onshore revenue in 2015-16 is estimated to be £53.7 billion, which is £1.9 billion higher than in 2014-15. On a comparable basis, excluding revenue associated with English housing associations, that represents 8 per cent of the UK total.

David Torrance: Does the cabinet secretary agree that Scotland's positive economic outlook is being unduly exposed to a threat, as Brexit could see us being withdrawn from the biggest single common market against our will?

Derek Mackay: Yes—I believe that leaving the European Union is a key risk to Scotland's economy. Scotland's £11.6 billion a year of exports to the EU represents 42 per cent of our total international exports. It is increasingly clear that the hard Brexit that is being described by some in relation to the UK Government's approach has significant financial consequences for the UK and for Scotland.

Kezia Dugdale (Lothian) (Lab): Given that the Cabinet Secretary for Finance and the Constitution is a conscientious and diligent soul, I assume that he will have read his Government's own "Government Expenditure and Revenue Scotland" report from front to back. Can he confirm that it demonstrates that Scots benefit from £1,200 more public spending per head by being part of the United Kingdom?

Derek Mackay: Kezia Dugdale will be well aware that Scotland also generates more per head, generally, than the rest of the UK and that Scotland has strong economic foundations on which we can grow our country to share the prosperity and wealth for all our people.

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

The union dividend actually amounts to £1,600 for every man, woman and child in Scotland—£1,200 of higher spending and £400 per head because our economy underperforms the rest of the UK. Why does the cabinet secretary want to deprive the Scottish people of that sum of money?

Derek Mackay: Here we go again, with the Tories wanting to talk about the constitution. The Conservatives are obsessed with it.

We are embarking on a bold programme—through the programme for government and, in due course, the budget—to grow and build on the strong fundamentals of the Scottish economy. It is decades of Westminster rule that have left Scotland in the economic position that we have found ourselves in, which has been made worse by the threat to remove the United Kingdom and Scotland from the European Union.

Dean Lockhart (Mid Scotland and Fife) (Con):

How can the record budget deficit of £15 billion that the Government announced last week be reconciled with the First Minister's statement yesterday that the Government will use the strength of its balance sheet to help Scottish business, bearing in mind that that budget deficit is the largest of any western economy in Europe and is even larger than the budget deficit in Greece?

Derek Mackay: I am very surprised that Dean Lockhart, as a Conservative spokesperson, does not understand the Scottish budget. The Scottish Government balances its books every year, and it is on the basis of that—the strength of our balance sheet—that we can deliver the Scottish growth scheme. I seriously hope that the Conservatives will be converts to our scheme to unlock £0.5 billion of support to grow our economy and support businesses through this difficult and turbulent time in the economy.

Further and Higher Education (Spending Review)

2. **Iain Gray (East Lothian) (Lab):** To ask the Scottish Government what discussions the Cabinet Secretary for Finance and the Constitution has had with Colleges Scotland and Universities Scotland regarding the forthcoming spending review. (S5O-00092)

The Cabinet Secretary for Finance and the Constitution (Derek Mackay): As ministers with responsibility for engagement with both sectors, the Deputy First Minister and Cabinet Secretary for Education and Skills and the Minister for Further Education, Higher Education and Science regularly meet representatives of Scotland's colleges and universities to discuss a wide range of issues of interest to the sectors, including resourcing issues.

The Minister for Further Education, Higher Education and Science last met Colleges Scotland and representatives of Universities Scotland on 31 August 2016.

Iain Gray: The recent reports from Audit Scotland into funding of further and higher education show that both sectors have seen cuts to their budgets year on year. In this spending review, will the cabinet secretary simply make the promise that their budgets will be protected?

Derek Mackay: In the manifesto on which we were elected, we outlined our commitments to the sector. That includes free education, and for colleges we will maintain full-time equivalent college places. The report that Iain Gray mentioned also says that Scotland's college sector is financially stable overall and that colleges continue to exceed their targets for student learning opportunities.

In answer to the specific question, of course I and other ministers will engage closely with the Scottish Further and Higher Education Funding Council to consider the financial issues and take forward opportunities for Scotland.

In the past few months, I had one particularly enjoyable visit to the Riverside campus of City of Glasgow College. It is a fantastic building and evidence of the Government's commitment to invest capital in the sector, which is transformational for the education sector in Scotland.

Treasury (Meetings)

3. Jenny Marra (North East Scotland) (Lab): To ask the Scottish Government when the Cabinet Secretary for Finance and the Constitution last met the Treasury and what was discussed. (S50-00093)

The Cabinet Secretary for Finance and the Constitution (Derek Mackay): I spoke with the new Chancellor of the Exchequer on 21 July to discuss areas of common interest, including the need to ensure active engagement between HM Treasury and the Scottish Government on the financial implications of work that will be undertaken in response to the European Union referendum outcome.

Since then, I have written to the Chief Secretary to the Treasury, welcoming the guarantees so far provided on EU funding but making it abundantly clear that the areas that have not been addressed must be revisited as a matter of urgency.

I have offered to meet the chancellor in London on 21 September to discuss matters of shared interest around the economy and public finances, the impact of the EU referendum, and the need to

continue to make progress in implementing the detail of the Scotland Act 2016.

Jenny Marra: The Scottish taxpayer will pick up 60 per cent of the cost of decommissioning the oil and gas industry through tax relief. As the Scottish people are funding the jobs, does the cabinet secretary think that it is fair that we are paying for the work to be done in Norwegian yards rather than in ports such as Dundee?

Given the huge opportunities for our economy, I am disappointed that the cabinet secretary did not discuss with the Treasury any fiscal incentives for decommissioning when he met them. Has the Scottish Government had any discussions with the Treasury about decommissioning tax relief? Will he make it a priority to speak to the Treasury at the next opportunity about how they can work together to keep those taxpayer-funded jobs in Scotland?

Derek Mackay: The member asks a fair question and gives a fair analysis of how we could take advantage of the decommissioning work that could be delivered to Scotland.

The member's question was specifically about the discussions that I have had with HM Treasury and I answered it accurately, but my business and economy colleagues have had discussions with United Kingdom ministers on the subject. The Scottish Government has been proactive in raising those questions and, through Scottish Enterprise, we are working on the decommissioning action plan to ensure that jobs and development comes to Scotland.

I will be 100 per cent supportive of that work, and I will make specific interventions with the UK Government by adding to my very long list of things that it could do to stimulate the UK's and Scotland's economies.

Public Services (Preventative Spend and Outcomes Focus)

4. Ivan McKee (Glasgow Provan) (SNP): To ask the Scottish Government what progress it is making in implementing the recommendations of the commission on the future delivery of public services, which was chaired by Campbell Christie, calling for the prioritisation of preventative spend and an outcomes focus in delivering more effective and efficient public services. (S50-00094)

The Cabinet Secretary for Finance and the Constitution (Derek Mackay): Our approach continues to be rooted in the four pillars of reform laid down by the Christie agenda. We have made substantial progress across a broad range of public services including early years, justice, and health and social care.

Ivan McKee: The cabinet secretary will be aware that the Christie report estimates that as much as 40 per cent of all spending on public services is accounted for by interventions that could have been avoided by prioritising a preventative approach. To realise such savings, the report recommends integration of service provision, the empowerment of individuals and communities receiving services, the removal of duplication and the sharing of services where possible. What steps is the Scottish Government taking to make progress on those recommendations?

Derek Mackay: That work will feature as we move forward with the programme for government and our efforts on public service reform. The Government's approach to early years, education and health reform has been clear. Those are key parts of the preventative agenda, and they are certainly part of the next phase of reform. There are truly transformational opportunities and we can build on the successes of the previous session of Parliament, such as integration joint boards and the Community Empowerment (Scotland) Act 2015, which was partly about people being given the tools to unlock the potential in their own communities.

There is a great deal of work to be done around public service reform. That is why I am delighted to be a member of the cabinet sub-committee on public service reform, which will consider this very issue.

Jackie Baillie (Dumbarton) (Lab): The cabinet secretary will be aware that change funds have been one of the principal means of prioritising preventative spending and encouraging innovation in public services. Does he therefore consider that allocating something in the order of 1 per cent of the Scottish budget to those change funds is adequate, given the task ahead? Will he reflect on that in the forthcoming budget process?

Derek Mackay: I understand why Jackie Baillie would be attracted to change funds, and I think that they were successful in part. However, as finance secretary, I would expect that we would use the totality of Scottish Government resources to transform our services and that we would rise to the challenge of the preventative approach in public service reform. Therefore, I am not immediately minded to create a new plethora of change funds. Instead, I expect public services and Government departments to focus on the preventative approach, realising how important it is to the Government and the Parliament.

“Government Expenditure and Revenue Scotland” Figures (Deficit)

5. **Neil Bibby (West Scotland) (Lab):** To ask the Scottish Government what Scotland's deficit is,

both as a percentage of gross domestic product and in cash terms, according to the latest GERS figures. (S5O-00095)

The Cabinet Secretary for Finance and the Constitution (Derek Mackay): Mr Bibby will have heard me say to the Conservatives that of course the Scottish Government balances its books. GERS shows that North Sea revenues fell in 2015-16 as a result of the challenging conditions that were faced by oil and gas operators. However, that decline was more than offset by Scottish onshore revenue, which grew by £1.9 billion. Including a geographical share of the North Sea, according to GERS estimates, Scotland's net fiscal deficit in 2015-16 was 9.5 per cent of GDP, or £14.8 billion.

Neil Bibby: The First Minister spoke yesterday of

“a real battle of ideas; a sense of solidarity versus the ideology of the small state”.—[*Official Report*, 6 September 2016; c 20.]

However, the GERS study confirmed that we have one of the biggest deficits in Europe. The size of the state in an independent Scotland would be a good deal smaller. Will the finance secretary therefore acknowledge the vital importance of United Kingdom fiscal transfers to Scotland, and can he confirm that, according to GERS, those transfers currently amount to £9 billion, which is money for jobs, services and communities right here in Scotland?

Derek Mackay: No—there is no such transfer. Neil Bibby has got it wrong again. Those are estimates of expenditure. The unionist parties do not seem to get that the figures do not show the balance sheet of an independent Scotland. UK economic policy has failed.

There are positives in the GERS report as well, including onshore revenue's growth, improvements in gross domestic product growth, record rising employment and improved productivity. As I have said before, Scotland generally generates more revenue per head than the rest of the United Kingdom. Further, in terms of output per head, Scotland is higher than anywhere else in the United Kingdom, with the exception of London and the south-east.

Members should ask themselves this: why is it that a nation that is blessed with such assets and wealth cannot be allowed to share that prosperity—unlike Norway, which is a small independent nation that is comparable to Scotland but is in surplus, and not in deficit? What is the difference?

We have a choice as to what we do, as a Government and a Parliament. Do we agree to invest in the economy, to secure Scotland's political position in terms of European Union

membership, to grow our economy and to support businesses to help to deliver that growth? That is exactly what this Government is doing.

Spending Plans 2016-17 (Glasgow and Renfrewshire)

6. Anas Sarwar (Glasgow) (Lab): To ask the Scottish Government what impact its spending plans for 2016-17 will have on Glasgow and Renfrewshire. (S5O-00096)

The Cabinet Secretary for Finance and the Constitution (Derek Mackay): The Scottish Government will continue to support the Glasgow and Renfrewshire area through a wide range of programmes. The 2016-17 local government settlement funding package was firmly focused on the delivery of joint priorities to achieve sustainable economic growth, protect front-line services and support the most vulnerable people in our communities. Those shared priorities will improve outcomes for local people.

We are investing in local infrastructure—for example, three schools are under construction in the area as part of the national schools for the future programme, and are due to open next year. There is also investment in motorways, in the subway, and in hospitals and health centres.

Anas Sarwar: Yesterday, the First Minister said that her Government's priority is to support jobs and economic growth. The cabinet secretary's predecessor, John Swinney, scrapped the Glasgow airport rail link project. Renfrewshire Council's leader, Glasgow City Council's leader and local businesses have pressed the Scottish Government to get on and implement that project, which would create 15,000 construction jobs and 30,000 permanent jobs. The First Minister, the transport minister and the finance secretary all represent Glasgow and Renfrewshire. Why will they not stand up and deliver for the cities and communities in that area?

Derek Mackay: I have news for Anas Sarwar: I was a signatory to Glasgow's city deal proposal. Following the discussion about releasing more than £1 billion for the city deal partnership, it was left to the local authorities to take forward their proposals. As members would expect, checks and balances are in place.

Anas Sarwar: Does the cabinet secretary support the rail link?

Derek Mackay: I am coming to that.

It might surprise Anas Sarwar to know that, when I was Minister for Transport and Islands, I wrote on 3 February 2015 to Glasgow City Council's leader to outline our support for the city deal package. On GARL, I said:

"We stand ready to work with you to deliver improved surface access to Glasgow Airport within the overall city deal, but I want to make it very clear that the Scottish Government will not be responsible for any additional costs resulting from decisions taken by or investments made by the ... Clyde Valley partners."

Given that there is £1 billion to get on with the projects, I ask the Labour Party what is stopping it getting on with GARL. If it wants to deliver GARL, it can do so—we have given it the resources. I would hate to think that the Labour Party is indulging in a game of artificial grievance before the council elections when it knows fine well that it has been given the resources, with checks and balances in place. The only people who are stopping GARL are those in the Labour Party in the west of Scotland.

Jamie Greene (West Scotland) (Con): What effect will the spiralling cost of the Edinburgh to Glasgow rail improvement programme have on the Scottish Government's plans for Glasgow and Renfrewshire? Will the Government update Parliament on the programme's total cost and say whether the cost is expected to rise further?

Derek Mackay: Those questions help to make a point that the Conservatives might want to understand. Network Rail is not directly responsible or accountable to the Scottish Government in the way that we would like. If we had devolution to Scotland of Network Rail's responsibilities, perhaps it would deliver projects in the way that the Scottish Government delivers major infrastructure projects.

The proposals will make a transformative difference to the rail service in the area that we are discussing, and we expect them to be delivered to our specifications, but I am afraid that the issues with Network Rail suggest that we should have greater control over the operation, rather than leaving it to the United Kingdom Government, which has failed to contain Network Rail's costs.

"Government Expenditure and Revenue Scotland" Figures (Deficit)

7. Graham Simpson (Central Scotland) (Con): To ask the Scottish Government what steps it is taking, in light of recent GERS figures, to ensure that Scotland's deficit does not increase further. (S5O-00097)

The Cabinet Secretary for Finance and the Constitution (Derek Mackay): The Scottish Government is focused on actions to support Scotland's economic resilience and growth, in keeping with the priorities that are set out in our economic strategy. We are taking action to facilitate investment, improve innovation, support inclusive growth and encourage Scottish businesses to internationalise.

The biggest risk to Scotland's economic prosperity comes from being taken out of the European Union. We are taking action to support Scotland's economic resilience, which is why we announced a £100 million capital acceleration programme to provide immediate support to the economy. In line with the way people here voted, we will continue to explore all possible means to protect Scotland's place in Europe, which is vital for jobs, investment and long-term prosperity.

Graham Simpson: I thank the cabinet secretary for that answer. The GERS figures show that Scotland's public spending deficit stood at just under £15 billion in the past financial year. That is a 9.5 per cent share of gross domestic product, which is more than double the 4 per cent figure for the UK as a whole. If anything shows that independence should be off the table for a generation, that report is it, yet yesterday the SNP left the threat of another referendum hanging over a country that has already rejected it, with all the uncertainty that that brings.

The Government's answer is to set up a growth commission—

The Presiding Officer: Please get to the question, Mr Simpson.

Graham Simpson: The best thing that the cabinet secretary could do would be to take the independence referendum off the table. Will he do that? If not, why not?

Derek Mackay: Here we go again. We have the Conservatives obsessed with the constitution—obsessed with it. What is worse, we are back to the tired old argument that Scotland is too wee and too poor to be an independent nation. The reality is that the GERS report is not a verdict on independence; it is an indictment of Westminster control of this country's economy.

However, let me turn—in the limited time that is left—to what we can do about growing our economy.

The Presiding Officer: There is no time left, cabinet secretary.

Derek Mackay: Let us see whether the Conservatives will support these actions. Of course, primarily, we could try to secure Scotland's place in the single market, but at Prime Minister's questions today, the Prime Minister could not even say whether she supports being in or out.

We are investing in infrastructure, maximising exports, backing innovation, embarking on housebuilding, accelerating planning, increasing the small business bonus, boosting education and childcare, releasing our renewables potential—

The Presiding Officer: Cabinet secretary, get to the point, please.

Derek Mackay: We are investing capital stimulus and, of course, investing £0.5 billion in the Scottish growth scheme. That is what we are doing to support Scotland's economy.

Economy, Jobs and Fair Work

Moray Economy

1. **Richard Lochhead (Moray) (SNP):** To ask the Scottish Government what steps it is taking to support the Moray economy. (S5O-00101)

The Cabinet Secretary for Economy, Jobs and Fair Work (Keith Brown): We are committed to supporting sustainable economic growth across Moray. We are investing substantial amounts in road and education infrastructure and we are ensuring that businesses continue to benefit from support from our enterprise agencies. That helps to create jobs and to stimulate growth in the area.

Richard Lochhead: The cabinet secretary will be aware that a threat hangs over the Moray economy as a result of the Ministry of Defence's estates review, which has led to questions over the future of the Kinloss barracks. Indeed, yesterday's meeting of the Moray economic partnership heard that more than 1,000 full-time-equivalent jobs in Moray are dependent on the barracks. Does the cabinet secretary agree that any threat to Kinloss barracks amounts to a breach of faith by the United Kingdom Government, especially after the closure of RAF Kinloss? Will he now support the community and demand that the UK Government holds a full consultation prior to any decision being taken over the barracks' future? Such a consultation, of course, was originally promised, but then the UK Government changed its mind. Will he also call for the UK Government to deliver the utmost transparency as to what options are on the table and to share those with the local community?

Keith Brown: Richard Lochhead is right to describe this as a huge threat to the Moray economy. I spoke with Mark Lancaster, the responsible minister in the UK Government, some weeks ago and requested that, when the defence estates review impacts on Scotland—for example in relation to the Moray local economy or in relation to Fort George, Edinburgh castle and other premises that are shared with the Scottish Government—there should be discussion between the two Governments. Such a discussion has not taken place. In fact, that discussion has been refused by the UK Government, which has had discussions with local partners in Moray but not with the Scottish Government.

In addition, the First Minister has written to the Secretary of State for Defence asking him to meet me immediately to discuss these issues. In the case of Moray, 830 jobs at least are at risk. I will continue to take steps and to support the work of Richard Lochhead and others in the steps that they are taking. What I will not do is support the statement that I heard was made on social media by a Conservative MSP, who said, “The battle’s over, the base has been saved, lay down your arms”. The one step that we will not take in relation to Moray’s future is a step back. We will continue to support Richard Lochhead and those who wish to support him in defending those jobs.

Douglas Ross (Highlands and Islands) (Con): I will focus my question on actual events rather than on speculation that has been generated by the Scottish National Party. No concern is more serious than the threat to the Kinloss base, but that speculation has come from a tweet by the local SNP member of Parliament, and there is nothing further to it.

The cabinet secretary discussed in his first response the roads policy and budget. Can he confirm that the Scottish Government fully supports the campaign by the Moray economic partnership and its chair, Councillor John Cowe, to have the A95 improved? Given the importance of that route to the vibrant whisky industry and the local economy, does he agree that opportunities for widening the carriageways should be considered as Transport Scotland develops its maintenance programme?

Keith Brown: In relation to roads in Moray, we have done what no previous Government—Conservative or otherwise—has done, which is to commit to the £3 billion upgrading of the A96. The A96 is the main arterial route from Inverness to Aberdeen and is hugely important for the area. We have also provided substantial support to the local economy, and to the local council in order to support its road-building and infrastructure programme.

Douglas Ross says that we should talk about actual events. If it is the case that he has not tweeted that the battle has been won and that in fact the Moray defence—

Douglas Ross: My question was about the A95.

Keith Brown: We are talking about Moray defence jobs here. The member said that the battle has been won. If that is not an actual event and he has not said that, perhaps he can tell members in the chamber. If he has said that, how does he think that representing the interests of Westminster and his colleagues down there is better than representing the interests of the people of Moray?

Douglas Ross: On a point of order, Presiding Officer. If Mr Brown would like to check my social media history, I am sure that he will come back to the chamber to correct the statement that he has now made twice.

The Presiding Officer: Thank you, Mr Ross. I do not believe that that is a point of order, but you have made a point.

Living Wage and Secure Employment

2. Ben Macpherson (Edinburgh Northern and Leith) (SNP): To ask the Scottish Government what action it is taking to encourage employers to pay the living wage and provide secure employment. (S5O-00102)

The Cabinet Secretary for Economy, Jobs and Fair Work (Keith Brown): As the member will be aware, the majority of powers over employment remain with the United Kingdom Parliament. However, with the powers that we have available, we have developed a distinctive approach to fair work that will, among other objectives, help to promote secure employment. Building on the publication of the fair work framework, our recently published labour market strategy sets out an approach in which fair work is central to improving the lives of individuals and their families. The strategy includes a range of actions, including the work that the Scottish Government continues to undertake with the Poverty Alliance to increase the number of living wage accredited employers in Scotland, which now stands at over 585.

Ben Macpherson: Would the cabinet secretary agree to work with me on these issues, specifically with regard to the Edinburgh festival—for example, by working with relevant parties to encourage more large venues to pay the living wage and to provide more secure employment?

Keith Brown: I certainly would commit to doing that. I also acknowledge the huge economic impact of the Edinburgh festival. It has once again been a very successful year for the festival and associated festivals and for the fringe. My officials and I are always happy to meet employers who are paying the living wage, especially larger employers through whom living wage accreditation would benefit a greater number of employees.

The member could usefully get in touch with the Scottish living wage accreditation initiative through the Poverty Alliance, which the Scottish Government is supporting to promote the living wage. It will be able to bring its valuable experience of working with a wide range of employers to those discussions.

Richard Leonard (Central Scotland) (Lab): In light of that last answer, and given that there are more than 360,000 private sector employers in

Scotland, does the cabinet secretary consider that a target of just 1,000 accredited living wage employers by this time next year is ambitious enough?

Keith Brown: I would never suggest that we are limited to that number, but it is right that we start somewhere, and we have made a start where the UK Government—and many other Governments—have not. I do not know whether Richard Leonard is describing a counsel of despair—“Don’t bother trying in the first place”—but we are trying and we are having major success. Together we are lifting the number of people in Scotland who are paid the living wage. That number is already one of the highest in the UK—I think that it is the second highest; I am happy to check that.

Of course, it is not only about the companies that sign up to the living wage but about the impact and influence that they have on other people. We will continue with our activity, and I hope that we will have the support of Richard Leonard and his colleagues in that regard.

Patrick Harvie (Glasgow) (Green): I welcome the measures that have been taken to promote the living wage. Given yesterday’s announcement that the Scottish Government intends to provide a programme of loans and guarantees to businesses, can we have a guarantee that that facility will be available only to businesses that pay the real living wage?

Keith Brown: All—or the vast majority of—businesses in the Scottish economy are well aware of the Scottish Government’s approach to both the living wage and inclusive growth. Those companies with which we engage through—as Patrick Harvie mentioned—the Scottish growth scheme, which could be of substantial benefit to companies and employment in Scotland, will be well aware of our preference and our drive to increase the number of those employed in Scotland who receive the living wage. We are doing that not just because it is right that those companies should pay the living wage but because it helps the economy in general. People have more disposable income if they are paid the living wage as they do not have to spend all their income to survive.

Neil Findlay (Lothian) (Lab): One way in which we can advance the living wage is by becoming living wage employers ourselves, and I commend the cabinet secretary for doing so. However, could he assist Mr Macpherson, who asked the question, and encourage him to become a living wage employer?

Keith Brown: I am sure that Neil Findlay can be encouraging in that regard as well. It is down to all of us who want to increase the number of people employed on the living wage to encourage others.

I do not know the individual circumstances, but it is perfectly possible that all the employees of MSPs are paid the living wage although not all MSPs are accredited as living wage employers. Of course, like Neil Findlay, I encourage as many people as possible to pay the living wage and to go further and get accredited for doing so.

The Presiding Officer: I am not going to let Mr Macpherson back in, although he wants to speak again.

Fair Work Framework

3. **Elaine Smith (Central Scotland) (Lab):** To ask the Scottish Government how the fair work framework fits into the recently published labour market strategy. (S5O-00103)

The Minister for Employability and Training (Jamie Hepburn): The Scottish Government shares the vision that the fair work convention set out in its framework. Through the labour market strategy, we have been clear in our endorsement of the framework and we have set out our commitment to continue to work with the convention to build on the principles that it has established. Fair work is central to our ambitions and we believe that a strong labour market that is built on fairness will drive inclusive sustainable economic growth. To achieve that, it is essential that we continue to support the convention in promoting the framework and engaging employers in discussions on how we can work together to champion fairer and better workplaces.

Elaine Smith: I am sure that the minister is aware that Scotland now has the worst gender pay gap in the United Kingdom. Given that the fair work convention was in part set up to tackle such issues, what will the Scottish Government do to ensure that employers close the gap, implement the framework and end what has been called a penalty on motherhood here in Scotland?

Jamie Hepburn: That is a reasonable question. We have seen improvements in the gender pay gap in Scotland, although I readily concede that they have not gone far enough. Through the labour market strategy, we are committing £0.5 million to support the convention in taking forward its work. I recognise that there is more that we can do through other commitments in the labour market strategy. One is to take forward a women returners project, which can help in that regard. It is incumbent on us to work as an Administration, through our agencies and with employers to reach out and ensure that we do better in that regard.

Apprenticeship Levy (Guidance)

4. **Lewis Macdonald (North East Scotland) (Lab):** To ask the Scottish Government when it

plans to publish guidance on the implementation of the apprenticeship levy. (S5O-00104)

The Minister for Employability and Training (Jamie Hepburn): Since the announcement of the apprenticeship levy by the United Kingdom Government, the Scottish Government has been working with employers to develop a response that will support skills development and drive economic growth. Over the summer, we consulted employers and other interested parties to consider the impact of the levy and to explore opportunities for continuing to expand and enhance our successful modern apprenticeship programme in Scotland. The consultation closed on 26 August and we will bring forward plans as soon as possible based on that.

Lewis Macdonald: I am sure that, if the minister has read responses such as those from OPITO, which is the oil and gas skills body, and the Aberdeen and Grampian Chamber of Commerce, he will know that they believe that the apprenticeship levy should be fully committed to training and skills and that they are urgently looking for assurance to that effect. Does the minister accept that many employers have already started to plan their training programmes for the next financial year but cannot do that efficiently and effectively until they know what money will come back into their business from the apprenticeship levy?

Jamie Hepburn: I certainly accept that the levy has been an issue for business and employers. I hope that Mr Macdonald recognises that the implementation of the levy has not been in our hands but has been taken forward by the UK Government. We still seek clarity on the funding that we will secure as a result of the levy, as that has not yet been forthcoming from the UK Government. We have engaged in the consultation process. Mr Macdonald makes the fair point that employers are trying to make plans and are looking for a degree of reassurance. My clear commitment is to work on the basis of the consultation that we have undertaken and implement its findings as quickly as possible.

Tavish Scott (Shetland Islands) (LD): I agree with Lewis Macdonald and ask the minister to reflect on the evidence that was given to the Education and Skills Committee this morning, in which Standard Life among others made clear that it believes that the principle should be that the apprenticeship levy moneys come back to Scotland and go back into schools and training. Does the minister agree with that principle and will he ensure that that happens?

Jamie Hepburn: I spent my summer engaging with a range of organisations, including private sector employers, local government and others, on how we respond to the introduction of the levy by

the UK Government. I reiterate that we do not have final clarity on the funding that we will receive, that we have undertaken a consultation and that it is incumbent on me to drive forward the analysis of that consultation and put in place a framework arising from it.

Eurocentral

5. Richard Lyle (Uddingston and Bellshill) (SNP): To ask the Scottish Government what action it and its agencies are taking to promote Eurocentral at Newhouse as a place for business and innovation. (S5O-00105)

The Minister for Business, Innovation and Energy (Paul Wheelhouse): We are committed to promoting Scotland as an attractive place for business and innovation. For example, our £500 million investment in the M8, M73 and M74 motorway improvement project will bring safer roads, less congestion and a better quality of life for road users. Such improvements will help promote sustainable economic growth by improving access to facilities and employment areas, such as at Eurocentral at Newhouse, for communities and businesses in central Scotland and beyond.

Richard Lyle: I note with interest that the Eurocentral site is at nearly 80 per cent capacity for occupation by business. What further action can the Scottish Government undertake to ensure continued economic growth in that part of my constituency?

Paul Wheelhouse: We certainly welcome the news of that success and want to support continued sustainable economic growth in the area. Businesses in the area continue to benefit from the support of Scottish Enterprise and regional selective assistance grants worth £1 million this financial year. Through our regeneration capital grant fund we are investing in enterprise work spaces at Newhouse, and on 1 April we designated BioCity Scotland as the sixth site of the life sciences enterprise area. We believe that that could boost employment by another 120 jobs by 2020, as the location develops as a more significant centre for life sciences.

Commission for Developing Scotland's Young Workforce (Recommendations)

6. Tavish Scott (Shetland Islands) (LD): To ask the Scottish Government what progress it is making in implementing the recommendations in the commission for developing Scotland's young workforce final report. (S5O-00106)

The Minister for Employability and Training (Jamie Hepburn): In taking forward the developing the young workforce agenda, we are

growing vocational provision for young people in the senior phase, including a significant expansion of modern and foundation apprenticeships. In addition, we have established 16 regional DYW employer groups across the country; we have created new national standards for work placements and careers education; we have invested in the earlier introduction of careers advice; we have seen more 300 businesses take up the new investors in young people accolade; and we have refocused activity across our youth employment and apprenticeship programmes on young people who need the most support.

Tavish Scott: I agree with the minister's drive on the matter, but he will be aware that the budget for 2015-16 and for subsequent years has been—as people say—mainstreamed into other budgets. In other words, there is no specific budget for this year, as there was for the first couple of years. The minister has clear, demanding targets to expand activity in the remaining years of the programme. How will he meet them? Is he aware of the recent City and Guilds skills report, which shows that a lot of young people in Scotland are not aware of the available career paths, and does he agree that that is exactly the kind of issue that Sir Ian Wood's report raised and which needs to be addressed?

Jamie Hepburn: I agree absolutely on the latter point. By driving forward this entire agenda, we are trying to achieve a culture shift in the education sector that allows for greater engagement, in an appropriate fashion, so that industry can be involved in opening up horizons for young people. From the evidence that I have seen, that work is on-going. It is beginning to bear fruit, which is why it is important that we mainstream it and make it a core part of the purpose of our school environment. That work continues and will continue to bear fruit.

Orkney (Energy Storage and Transformation)

7. Maree Todd (Highlands and Islands) (SNP): To ask the Scottish Government what it is doing to support the establishment of Orkney as a centre for excellence or living laboratory in relation to energy storage and transformation. (S5O-00107)

The Minister for Business, Innovation and Energy (Paul Wheelhouse): The Scottish Government welcomes and supports the wide range of activity that is under way to harness Orkney's renewable energy resources and to help overcome some of the impact of grid constraints in advance of seeing a vital investment in connecting the islands to the grid.

A great example of our support is the surf 'n' turf project, which is being assisted by £1.175 million in funding under our local energy challenge fund.

The project will produce hydrogen from onshore wind and marine energy from generation on the island of Eday. It will be stored, transported and converted back into electricity for use in buildings and berthed ferries at Kirkwall harbour.

As with the many other projects that we are supporting in Orkney, surf 'n' turf involves work with a range of partners and a significant level of local expertise, including the European Marine Energy Centre—EMEC—and Community Energy Scotland. The project has been the catalyst for further investment of €5 million in Orkney by the European Commission, in support of the building innovative green hydrogen systems in an isolated territory—BIG HIT—project.

In February 2014, the Scottish Government provided a £3 million grant to EMEC to address grid constraints at its tidal site. The investment enabled EMEC to carry out initial scoping work and purchase an electrolyser to convert power generated at the tidal site to hydrogen fuel.

Maree Todd: Scotland's wave and tidal energy resource is almost unparalleled. It represents a quarter of Europe's tidal stream and 10 per cent of its wave energy potential. A large part of Scotland's wave and tidal energy is available in the northern and western isles and along the west coast, which are areas that present considerable challenges when it comes to feeding energy back into the main grid.

Programmes such as local energy Scotland enable communities that produce a large amount of renewable energy to use that energy locally. What progress has the Scottish Government made in helping communities to make the most of their renewable energy capabilities?

The Presiding Officer: I must ask for a slightly briefer response, minister.

Paul Wheelhouse: I will try to be brief, Presiding Officer.

We are pleased with progress on community energy rollout. We achieved 508MW of community and locally owned renewable energy capacity by 2015, achieving our target five years early, and we are delighted by that.

Maree Todd is right to highlight some of the key constraints, including the grid. I was pleased to meet her and renewables operators in Orkney last week, where we heard clearly about the importance of investment in connecting the islands to the mainland, to enable local projects, such as those that are being delivered by communities in Orkney, to access the market and maximise the economic opportunity for the islands.

Scotland's Place in Europe

The Presiding Officer (Ken Macintosh): The next item of business is a statement by the First Minister on Scotland's place in Europe. The First Minister will take questions at the end of her statement, so there should be no interventions or interruptions.

14:41

The First Minister (Nicola Sturgeon): Just before our summer recess, Parliament gave the Scottish Government a mandate to explore all options to protect Scotland's relationship with the European Union. Over the summer I updated Parliament in writing on two occasions, and today I will provide further information on our work and priorities, and on how we intend to involve Parliament as we move forward.

Since the referendum, our first priority has been reassurance. That has included seeking to do everything that we can to reassure non-United Kingdom EU citizens who live here in Scotland. It is a disgrace that the UK Government has not yet guaranteed the position of EU citizens, and today I again call on the Prime Minister to do the right thing and stop using human beings as bargaining chips.

We have also taken targeted steps to support and promote economic stability. Last month, I set out a £100 million economic stimulus plan. Yesterday, I announced that a £500 million Scottish growth scheme will form a central part of our programme for government. In taking those steps, we are acting on our obligation to mitigate the immediate effects of the referendum result, and we will continue to do so.

However, we must also be realistic about the long-term consequences of leaving the EU. Those people who are complacently crowing that the sky has not fallen in on the economy would do well to remember that Brexit has not happened yet—it has not even started.

The reality, as every sensible economic commentator recognises, is that leaving the EU will weaken the economy. The damage will be even deeper if, as all the signals suggest, the UK is heading for a hard Brexit, outside the single market as well as outside the EU. Applying the UK Government's own analysis to Scotland suggests that that could result in our gross domestic product being more than £10 billion lower than it would be if we remained in the EU. The impact of that will be felt on jobs, trade, investment and living standards.

The G20 summit at the weekend was a harsh reminder of the consequences of Brexit. The US

made it clear that there would be no preferential treatment for the UK in trade talks, and the Japanese Government set out in detail the potential implications of leaving the single market: a loss of company headquarters, a hit to exports, turmoil in labour markets, damage to financial services, and cuts to research and development investment. There is no doubt that leaving the EU will be an extraordinary, self-inflicted blow to the UK's competitiveness, which will be compounded if the decision is to leave the single market as well.

That is why it is so essential that we work to retain the benefits of our EU membership. Over the summer, I set out the national interests that are at stake: our democratic and economic interests, our interests in social protection and solidarity, and our interest in influencing the world in which we live. As I said on the morning after the referendum, we are committed to pursuing all possible options to protect those interests. Of course, our ability to fully assess the different options will be constrained until we start to get some clarity on what the UK Government is seeking to achieve.

That is one of the many reasons why, 10 weeks on from the referendum, it is frustrating that the Tories are no further forward in setting out what Brexit actually means. What we have in place of a policy is a meaningless, tautological soundbite. Indeed, the position of the UK Government became even more farcical this week, when the only scrap of substantive detail that David Davis volunteered in his statement to the House of Commons was immediately disavowed by the Prime Minister—a Prime Minister who then, earlier today, was unable or unwilling to answer the simple question: does she want to see the UK stay in the single market, yes or no?

However, as the position of the UK Government takes shape ahead of article 50 being triggered—as surely it must—it is essential that Scotland's voice is heard. To that end, we have been working hard over the summer in discussions with UK Government officials, and we continue to press for urgent clarification of how the UK will deliver on the Prime Minister's commitment to full involvement for Scotland. I hope to be able to confirm soon, along with the UK Government and other devolved Governments, how that engagement will work in practice. The Parliament's approval of the appointment of Michael Russell yesterday ensures that we will have a dedicated minister leading for Scotland in the process. We are also working closely with the other devolved Administrations, the Crown dependencies and the Government of Gibraltar to make common cause where we can.

However, let me be crystal clear about this, and it is a point that I have made directly to the UK

Government: the Scottish Government will not be window dressing in a talking shop to allow the UK Government to simply tick a box. We expect to have—along with the other devolved Administrations—a role in decision making and we expect our engagement to be meaningful. That was the commitment given by the Prime Minister, and it is one that I am sure this Parliament expects to see delivered in full. Assuming that it is, we will enter and take part in the discussions in good faith.

The approach that we will take will be exactly as I set out on the morning after the referendum. We will pursue all options to protect Scotland's interests. First, we will seek to use whatever influence we have to shape the best—more accurately, the least bad—outcome, not just for Scotland but for the whole UK. In my view, that means the UK continuing as a member of the single market. I accept that the Prime Minister has a mandate in England and Wales to leave the EU, but I do not accept that she has a mandate to take any part of the UK out of the single market. Indeed, during the referendum, many leave campaigners said explicitly that leaving the EU did not mean leaving the single market. I hope that all parties in this chamber will back us as we make that case. I also hope that we can make common cause with others of like mind across the UK.

Secondly, regardless of the direction that the UK Government decides to take, we will seek to find ways to protect as best we can Scotland's place in Europe and our vital national interests and embed them in the UK's negotiating strategy. Our standing council of experts met for the second time last week and is already working on a spectrum of options to protect what matters most to Scotland and to consider the additional powers that our Parliament would need to make them work. For example, how can we protect the benefits to our businesses of the single market and free movement, and how can we protect workers' rights, the place of our universities in horizon 2020, the continued ability of our students to participate in Erasmus, and the enhanced security that comes from Europol and the European arrest warrant? As they are developed, we will assess those options against the five key interests that I set out in the summer.

We will update Parliament further on the progress of that work in the coming weeks, and I will appear before the European and External Relations Committee next week. We also intend to propose a series of parliamentary debates over the next few weeks on the implications of Brexit in key areas such as the economy, rural affairs, education and the environment. Those debates will give all members the opportunity to have their say on the issues that the Scottish Government should be prioritising as our discussions with the

UK Government develop. I also issue an open invitation to all party leaders today to submit to us their views on options that they think we should propose as part of the process. Mike Russell and his officials will be happy to meet them to discuss any suggestions that they wish to make.

We are determined to do everything and examine every option to protect Scotland's interests. As I have said before, that must include the option to consider independence if it becomes clear that our interests cannot be protected within the UK. To give up the right to even consider that option would be to accept that we are at the mercy of Westminster decisions no matter how damaging or destructive they are to our economy, our society and our place in the world. That is not a position that anyone with Scotland's best interests at heart should ever be prepared to accept.

Our focus in the months ahead will be very much on seeking to positively influence the UK's negotiating position ahead of article 50 being triggered. As we do so, however, we will also continue our work to ensure an awareness and understanding of Scotland's position across EU institutions and member states. Since the referendum, I have had direct discussions with the Presidents of the EU Commission and the European Parliament, the Taoiseach, the Prime Minister of Malta—who is likely to hold the EU presidency when article 50 is triggered—and the German minister for Europe. I also attended the extraordinary summit of the British-Irish Council at the end of July. In addition, Fiona Hyslop has met the ambassadors of a number of EU member states. Those discussions will continue in the weeks and months ahead.

The circumstances that we now face are not of our making, and they are certainly not of the choosing of most of us in this chamber. The responsibility for uncertainty lies not with those of us who are seeking solutions, but with those who have so recklessly taken us to the brink of EU exit against our will.

However, it is now for all of us to seek to shape the response. The Scottish Government will lead that process but, in doing so, we welcome the support, the contribution and, indeed, the challenge of Parliament. As we continue to consider the best way forward, my assurance is this: our guiding principle will continue to be—at all times—the best interests of the people of Scotland.

The Presiding Officer: We now move to questions and I ask members to press their request-to-speak buttons.

Ruth Davidson (Edinburgh Central) (Con): I thank the First Minister for early sight of her statement.

First, there is no one here who is “complacently crowing” about the impact of Brexit. Perhaps the First Minister was not listening, but both the Prime Minister and I have said in recent days that there may well be difficult times ahead and that we should all acknowledge that.

I have some specific questions about the First Minister’s responsibilities. First, in the wake of the Brexit vote, a group of our leading trade bodies said that the Scottish Government should respond by

“reviewing ‘domestic’ areas of control including supportive taxation rates”.

Has the First Minister or her team held any discussions with those groups on their concerns?

Secondly, the UK Government has guaranteed funding for many EU-funded projects supporting economic development across the UK until 2020. Will the Scottish Government make the same commitment in devolved areas such as fishing?

Lastly, on her comments today on independence, when the First Minister first spoke to members in this chamber about the referendum result in June, we alone expressed our concerns that the SNP’s planned activities were concerned primarily with its on-going campaign. The summer has proved us right. I see that Willie Rennie has recognised that, too, and has now withdrawn Liberal Democrat support.

I note that in recent days the Scottish Government has rowed back on its earlier proclamations and is now talking of coalitions with UK Government ministers and co-operation with all the UK Administrations “in good faith”. Unfortunately, despite the new charm offensive from Mr Russell and the First Minister, our concerns remain. For example, the First Minister declares that independence will be considered only

“if it is clear it is the best or only way to protect our membership of the EU”.

Can the First Minister honestly tell the chamber under what circumstances and on what issue she has ever concluded that independence is not the best option for Scotland? More fundamentally, I repeat the question that I asked earlier in the summer: Nicola Sturgeon says that leaving the EU trading bloc is bad for Scotland, so why does she believe that leaving a bloc that is four times as important in terms of trade is the answer to any of today’s questions?

The First Minister: Let me answer each of Ruth Davidson’s questions in turn. I met the key business organisations in Scotland in the week following the referendum and we have responded positively to the suggestions that they made. Our decision earlier in the summer—I confirmed this

yesterday—to set up a post-referendum business network was something that they specifically called for.

My announcement yesterday about the Scottish growth scheme came from a desire to see policies that will boost economic growth, and we will continue to consider other asks from the business community as we formulate our budget plans. A key responsibility of Mike Russell, along with Keith Brown and other ministers, will be to engage closely with affected interests across the spectrum in Scotland.

Secondly, we will guarantee interests in Scotland where we have the power to do so. Indeed, it was this Government—even before the UK Government had begun to work out its position on any of the issues—that guaranteed free tuition for European Union students coming to study here this year.

The UK Government’s guarantee on structural funds and support for farmers is partial and short term; I hope to see it give a guarantee that is full and long term in the not-too-distant future.

On the question of independence, I will always seek to act in the interests of the people of Scotland. I will say two things in response to Ruth Davidson. First, it really is unbecoming of anybody to stand up in this Parliament—or anywhere in Scotland—and talk about the prospect of Scotland seeking to protect its EU membership as somehow turning her back on a single market across the UK, when Tory colleagues of Ruth Davidson are going to Ireland and saying that Brexit does not mean a border with independent Ireland or barriers to trade. The Tories cannot say one thing in Ireland and then say the exact opposite here in Scotland.

Lastly, as I will always seek to behave in the best interests of the people of Scotland, so I will not rule out options that may be required to protect Scotland’s interests. Ruth Davidson should reflect very hard on this: why is it that two years ago she said to the people of Scotland that the only way to guarantee membership of the European Union was to vote against independence, but now that her party has taken us to the brink of exit she is still trying to say that in no circumstances is independence the answer to that? It is Ruth Davidson who is inconsistent and letting down the interests of the people of Scotland.

Kezia Dugdale (Lothian) (Lab): I welcome the First Minister’s statement and the invite to sit down with her new Europe minister.

As we have repeatedly made clear, the Labour Party supports the Government’s efforts to secure Scotland’s place in the European Union, including the First Minister’s efforts to meet Governments around the world to seek a means of retaining our

EU membership and to make the wider economic case, emphasising that Scotland is very much still open for business. However, in recent days, there has been a shift in the First Minister's approach. Previously, her stated aim had been to retain our EU membership, but on Monday she appeared to be seeking only access to the single market. Will she comment on that shift? Has she received any legal advice on the issue? If so, does she intend to publish that legal advice?

The First Minister: I appreciate the support that Kezia Dugdale has given and that her party—I think, in a unified sense—is giving. There is no shift in the Scottish Government's position.

I have just seen a comment—I do not know whether it is true—to the effect that Jeremy Corbyn's spokesperson has said that it is not Labour's position to argue for continued membership of the single market. I certainly hope that that is not the Scottish Labour Party's position.

I have said all along that I will examine all options to protect Scotland's interests. There is no doubt that I see the best option to be to retain our membership of the European Union, and I will work to do that. Along the way I will also work to try to protect all the aspects of European Union membership that we possibly can. That is what I mean by keeping all options on the table; it is also what I mean by not ruling out any options, because if it does turn out that the only way to protect our membership of the European Union is to consider—I stress the word "consider"—whether we should be an independent country, then I do not think that it is right to take away that option from the people of Scotland. That is perhaps one of the differences between our positions.

The Scottish Government will take a range of advice. I mentioned the standing council of experts, which is in the early stages of giving us advice across a range of the issues that we have to consider. I will be as open and transparent with Parliament as possible. As I have said before, we are going into a period that will involve a range of different negotiations and we will have to develop a position depending on how the UK Government's position develops. I want to make sure that we harness this Parliament's involvement, so the offer to people across the chamber to be fully involved is genuine, and I hope that all party leaders will take it up.

Willie Rennie (North East Fife) (LD): I thank the First Minister for an advance copy of her statement.

On Monday, she told us that she was reaching out to build a coalition with pro-EU Conservative ministers in London, but that was not even

mentioned in her statement today. Can she update me on that initiative? Have any Conservative ministers joined that coalition, or was it all just flim-flam?

The First Minister: Willie Rennie has clearly decided not to listen to what I have said. I have said that what we will do as part of examining all options is to try, as one of those options, to see whether we can use our influence to get the UK into the least worst position. In my view, that is about staying in the single market, and I think that I explicitly said in my statement that we will seek to make common cause with people of like mind across the UK. That remains the position.

I noticed over the latter part of the summer that Willie Rennie said that he was no longer part of the consensus to protect Scotland's interests. Given how long it has been since the Liberal Democrats have ever done anything to protect Scotland's interests, I do not think that anybody will notice the difference. This Government will continue to do everything we can, examine all options and leave no stone unturned to seek to protect the vital interests of Scotland that are at stake. Let me tell you: if we have to struggle along without the merry band of Liberal Democrats, we will just have to do that.

Ross Greer (West Scotland) (Green): I welcome the First Minister's statement and thank her for notice of it.

Given the concerns that were raised at this morning's Education and Skills Committee, can the First Minister confirm when the Scottish Government will be clarifying the funding arrangements for EU non-UK students studying at Scottish universities in 2017-18 to ensure that we do not lose out on these talented international students? Moreover, given that the issue was raised in her statement, will the First Minister clarify what confirmation she has given to Japanese businesses in Scotland with regard to their place here after the publication of the letter from the Japanese Government?

The First Minister: On the member's first and very important question about the position of non-UK EU students studying here, as I said in response to a previous question, we have given that guarantee for this academic year. Clearly we are now considering the matter and are engaging with the sector on extending the guarantee to those who will be seeking to come here to study in the next academic year. We hope to be able to confirm our position on that very soon.

With regard to our response to the Japanese publication at the weekend, I have to say that I find it quite extraordinary that the Japanese Government has managed to publish far more detail about the implications of Brexit than the UK

Government has managed to publish two whole months after the referendum result. We will be engaging intensively with Japanese companies and indeed inward investors from all parts of the world here in Scotland in the period ahead. Keith Brown and Mike Russell will be leading that for the Scottish Government, and we will be seeking to use the information and intelligence that those people give us and feed them into the UK negotiations. Of course, that is all part of protecting Scotland's interests and seeking to ensure that Scotland remains an attractive and open place for people to do business in, because that is absolutely essential for the health of our economy.

Richard Lochhead (Moray) (SNP): I welcome the First Minister's statement and her appointment of Michael Russell to his new role. Mr Russell will have a tough job. On my visits to Brussels as part of UK delegations I found that the UK conducted two kinds of negotiations that affected Scotland: negotiations that the UK told us about and sometimes involved us in, and others that it kept us in the dark about. Is the First Minister satisfied that the Prime Minister and all her ministers will include Scotland in all formal and informal discussions and negotiations between the EU and the UK? Does she agree that, as far as intra-UK governmental relations are concerned, UK ministers must be fully transparent at all times about what is being negotiated and discussed in formal and informal settings?

The First Minister: I thank Richard Lochhead for those questions. On the first question, which was about whether Scotland would be fully and meaningfully engaged in the UK negotiations and the development of the UK position, the honest answer is that that remains to be seen. I hope that that is the case, because it is the commitment that we have been given by the Prime Minister and it is the commitment that we are right now working on with the UK Government to turn it into reality. We certainly want that to be the case. If it is, we will go into the discussions in good faith and will seek to play a constructive and positive role.

However, as I said in my statement, we will not be merely window dressing and we will not take part in a talking shop; we expect to be meaningfully engaged. I hope to be in a position to say more about that to Parliament very soon.

Transparency from the UK Government on the development of its position and how it seeks to achieve it is really important. I have been concerned by some of the Prime Minister's comments today; for example when she said—I think that this is almost a direct quote—that she will not provide a “running commentary” on the negotiations. I accept that when negotiations are under way some aspects have to take place

behind closed doors, but it is not acceptable to have a cloud of secrecy hanging over the UK Government's negotiating position, and it is not acceptable to have a Prime Minister who is unable or unwilling to answer the simple question whether or not we should remain in the single market.

I suspect that the UK Government is using such phraseology to mask the fact that it does not yet have a clue what it is seeking to achieve—let alone what its chances of achieving that are. Before we get too much further in, there must be greater transparency from the UK Government so that people across the country can judge whether what the UK is trying to achieve will meet our national interests.

Jackson Carlaw (Eastwood) (Con): There will be time to debate the wider content of the statement next week. However, suffice it to say that her statement was one of the most belligerent and—if it was calculated to enhance Scotland's immediate influence—self-defeating statements from any First Minister.

For the avoidance of doubt, can the First Minister confirm which heads of Government of EU member states she has not met or spoken to directly during her busy summer tours since 23 June? Is she just—to paraphrase her own words earlier and as her tone today suggests—destined to define herself as a window shopper in the negotiations?

The First Minister: The tone and lack of any substance in that question really expose just how little detail and substance at all there are in the Conservative position. I say to Jackson Carlaw, without a single word of apology, that when it comes to standing up for Scotland's interests I get pretty belligerent, because my job as First Minister is to stand up for the interests of this country. Right now, the interests of this country are under threat because of the actions of the Conservative Government at Westminster. Somebody needs to stand up for Scotland, and that is the job of the Scottish Government.

Joan McAlpine (South Scotland) (SNP): I, too, thank the First Minister for early sight of her statement.

Beyond the autumn statement later this year, no guarantees have been given for key EU funds that are worth hundreds of millions of pounds in supporting jobs and infrastructure projects in communities right across Scotland. What reassurance has the Scottish Government had from the UK Government in that regard?

The First Minister: There is no reassurance whatsoever for anybody who is affected by the UK Government's decision. Joan McAlpine has rightly said that no assurance has been given about structural funds or payments to farmers beyond

the autumn statement, but the situation is actually much worse than that: we cannot even get the UK Government to confirm the date of the autumn statement, yet. As far as I can tell, there is no great expectation at the moment that it will even be in the autumn. There is no detail from the UK Government on its Brexit negotiating strategy, the date of its autumn statement or what its fiscal position is likely to be after the autumn statement.

In place of Government policy at UK level right now, all we have are meaningless soundbites, as I said earlier. That is not good enough. It might have got the new Prime Minister through the summer, but it ain't gonna get her very much further.

Lewis Macdonald (North East Scotland) (Lab): The First Minister reports that the Government's standing council is in the early stage of formulating advice on a spectrum of options for protecting Scotland's vital interests, and that close working arrangements are already under way with other devolved Administrations. That is welcome, because both areas are critical. However, to set a good example of transparency, will the First Minister outline how that work will be supported over the period ahead, how many officials will support the new Minister for UK Negotiations on Scotland's Place in Europe, how many are dedicated to working with the standing council, and what budget has been set aside for those purposes?

The First Minister: I am more than happy to provide that information. It is clear that we are putting together a team of officials—we have already substantially done that over the summer—who are able to support the Scottish Government's work. We will be required to be flexible about that as the demands of the negotiations become clearer.

From day 1, I have made it clear that I want us to be fully equipped to deal with whatever we are required to deal with. That is why I set up the standing council and appointed Mike Russell as dedicated minister to lead the process. We will ensure that that is supported by the right officials across the Scottish Government. It is clear that there is a team of officials who support the work directly, but the work has an impact across most aspects of the Scottish Government's work, so we must ensure that different departments and interests in the Scottish Government are also fully involved. Mike Russell will be absolutely happy to write to interested members setting out the structure and detail of that. From memory, I think that I wrote to Kezia Dugdale over the summer to provide an update on where the work was then. I am happy to develop that and to provide an update on it to members.

Stuart McMillan (Greenock and Inverclyde) (SNP): As someone who benefited from EU funding to undertake his university education, I have huge concerns about continued funding for exchange programmes. Can the First Minister confirm her support for EU exchange programmes and the Erasmus programme, and will she commit to ensuring that that international outlook is high on the agenda of any discussions that she has with the UK Government and EU member states?

The First Minister: I specifically mentioned the Erasmus programme in my statement. I think that Erasmus is hugely important. It is one of the benefits of EU membership that has very hard economic benefits, but also has more intangible benefits. When we speak to students—as, I am sure, most members have—who have either come here as part of Erasmus or are Scottish students who have gone overseas, what they tell us about the experience and development that they have enjoyed as a result underlines the importance of the programme. It would be tragic if we were to lose, in any way, the benefits of such schemes, so it will be very much one of the priorities that we take forward as we try to protect the interests that I have already spoken about.

The Presiding Officer: That concludes questions on the First Minister's statement. We will move on to the next item of business, which will be a continuation of the debate on the programme for government, but we will take a few moments just to change seats.

Programme for Government 2016-17

Resumed debate.

The Deputy Presiding Officer (Christine Grahame): Good afternoon. The next item of business is continuation of the debate on the Scottish Government's programme for government 2016-17.

Before I call the Cabinet Secretary for Finance and the Constitution, I want to say something very briefly as I do not want to eat into everybody's time. I was disappointed yesterday that, despite my polite reminders to members to speak for up to six minutes, several chose to ignore the request. My duty is to protect the speaking time of all back benchers, and those stolen seconds mean that late speakers nearly always have their time cut. I have discovered that I have a nuclear option: the override button, which shuts off the speaker's microphone. When you see my pen in the air, it means one minute to go. There is also a clock. Let us hope that the pen or the clock—could we please have it reset properly?—will do the trick. I will, however, be flexible if there are interventions, but that is the only caveat.

Cabinet secretary, you have up to six minutes.

15:12

The Cabinet Secretary for Finance and the Constitution (Derek Mackay): Duly noted, Presiding Officer, but I have to say, from memory, that when I was chairing party conferences I had to use the button on you for overrunning your time. [*Laughter.*]

The Deputy Presiding Officer: Indeed, and I am big enough to take that on the chin.

Derek Mackay: It is a great privilege to open the second day of debate on the programme for government, a bold plan based on the mandate secured by the First Minister in the Scottish parliamentary elections. We will continue to build a more prosperous nation that ensures opportunity for everyone. We have a clear objective of improving the life chances of young people by closing the gap in educational attainment and giving children the best start in life.

The First Minister has updated Parliament on how we are responding to the uncertainty born out of the European Union referendum result. More than 10 weeks on from that result, the UK Government has offered little more than soundbites to Scotland's businesses but the Scottish Government takes seriously its responsibility in guiding Scotland through this uncertainty. We have therefore announced the

details of the £100 million capital investment boost, investing in a range of sectors to protect jobs and promote economic growth, and putting in place measures to support business.

The UK Government has provided partial guarantees for some European funding schemes. However, that leaves Scotland around £750 million short of what we expect to receive as part of membership of the EU up to 2020, putting at risk significant investment and employment. Last month, I wrote to the UK Government urging it to provide the necessary clarity and certainty on these vital European funds. Again, I call upon the Chancellor of the Exchequer to address this as a matter of urgency.

Furthermore, we have announced a new Scottish growth scheme that will be worth up to £500 million over three years. We will work with business to target the scheme at small and medium-sized enterprises with the greatest potential for growth and export and enable them to access finance—in the form of guarantees and loans, depending on company need—that would otherwise be unavailable. This bold and innovative approach to supporting SMEs builds on our reputation for financial competence and uses the strength of our balance sheet. However, as the First Minister said, it needs the support of others in order to deliver success, and I inform the Parliament that I have already written to the convener of the Finance Committee and the chief secretary to the Treasury to seek that support.

Those two measures only reinforce the Scottish Government's long-standing support for Scottish business and the economy. Our small business bonus scheme has already delivered more than £1 billion in cumulative savings for smaller firms, and we have now promised to expand the scheme from next year so that it lifts 100,000 properties out of business rates altogether.

Murdo Fraser (Mid Scotland and Fife) (Con): On Monday, 13 business organisations wrote to the finance secretary asking that he reconsiders the large business supplement, which has taken £62 million out of Scottish businesses into the coffers of the Scottish Government and which puts Scottish business at a competitive disadvantage. What is his response?

Derek Mackay: My response is to meet those businesses—tomorrow, I understand—to discuss business rates and any other matter that they may be interested in, having already welcomed a number of the interventions since this Government took office. I am more than happy to report back to the Parliament on the outcome of those discussions, which will feed into the budget.

I look forward to a number of pieces of legislation in which I have had some involvement in previous ministerial portfolios.

However, as a consequence of continuing UK Government austerity, the Scottish budget will continue to fall in real terms until the end of this decade, as it has done since 2010. With our existing powers, we have already proved that we can work collaboratively to design devolved taxes that better reflect our policy ambitions. In 2017-18, we will also use—for the first time—additional income tax rate setting powers, and we will do so in a manner that is consistent with our objectives of growing Scotland's economy, promoting fairness and providing additional investment in high-quality public services.

With the new powers over air passenger duty, we are committed to a 50 per cent reduction in APD by the end of the current session of Parliament, which will better support our objective to boost international connectivity and help to generate sustainable growth. I will take a bill through Parliament to establish a framework for that tax.

In addition, I have laid legislation today to reform council tax and the council tax reduction scheme.

Alex Rowley (Mid Scotland and Fife) (Lab): Will the cabinet secretary take an intervention?

Derek Mackay: That legislation will make council tax more progressive, provide additional investment in our schools and enable more support for those on low incomes. I stress, however, that there will be no change for three out of four households. Those in bands A to D will pay no more than they pay now as a result of the changes.

Alex Rowley: Will the cabinet secretary take an intervention?

The Deputy Presiding Officer: If you want to take the intervention, cabinet secretary, that is all right. I said that I would give time for interventions. I do not want to kill debate.

Derek Mackay: If you will give me the time, Presiding Officer, I am happy to oblige.

The Deputy Presiding Officer: I definitely will. That was my caveat.

Alex Rowley: I thank the cabinet secretary for giving way. Does he accept that council tax is local taxation? If so, does he accept that it should be for councils to determine how they spend the council tax that they raise?

Derek Mackay: Yes, I do, and local authorities will keep every penny of council tax even after the regulations that I have laid in Parliament this week.

The First Minister has repeatedly made it clear that education is this Government's driving mission, and over the current session of Parliament the council tax changes will raise an additional £500 million to be provided to headteachers to invest directly in schools. The regulations that I have laid for the council tax reduction scheme will provide relief from the changes for up to 54,000 low-income households in band E to H properties and, separately, increase the child allowance within the council tax reduction scheme by 25 per cent.

All those measures demonstrate our commitment to a fairer Scotland, strong public services and an education system that delivers for all of Scotland and, finally, our commitment to growing the economy.

15:19

Douglas Ross (Highlands and Islands) (Con): I will concentrate on the justice elements announced yesterday by the First Minister in her programme for government.

I welcome the Scottish Government's commitment to build on the Abusive Behaviour and Sexual Harm (Scotland) Act 2016 to ensure that the Crown Office has enough tools in the box to prosecute domestic abuse cases, which are, by their nature, incredibly complex, often involving psychological and physical abuse. The Scottish Conservatives recognise the importance of ensuring that the law reflects the experiences of domestic abuse victims and will work across the parliamentary floor with colleagues across the political spectrum to achieve that end.

In so doing, it is important that the views of stakeholders are given due consideration and, where necessary, acted upon. I know that the Law Society of Scotland has called for clarity on the Scottish Government's proposals to introduce a new law of domestic abuse, highlighting in particular the "practical issues" in relation to partners and ex-partners that require "further consideration". The Law Society has also raised concerns about difficulties for the Crown in acquiring sufficient evidence to justify a prosecution.

We owe it to victims of domestic abuse to get our approach to tackling this monstrous and nefarious behaviour absolutely right. I sincerely hope that the SNP Government will adopt a consensual approach as it begins this important undertaking. Conservative members will support the Scottish Government when we can, but we will not simply sit on our hands and accept SNP policies that will be to the detriment of the people of Scotland.

That takes me nicely on to my next topic, which is the Scottish Government's plan to integrate the British Transport Police into Police Scotland. The creation of the single police force for Scotland was beset with problems from the very beginning and those issues continue to plague the national force. While our police men and women and support staff do their level best, every day there is another story in the press about the single police force that reinforces the genuine concerns many people had, and continue to have, about the formation of a single police force.

How does the SNP plan to address the worries about the strain that the single force is under? It wants to add further responsibilities and ignore the comments of the BTP, which clearly does not want the forces to be merged. The Government will say that there has been a consultation—this is a Government that, we understand, has a real zest for listening at the moment—but it was very particular.

The Scottish Government is happy to consult on a whole host of things but it did not consult on whether the functions of the BTP should be assumed by Police Scotland, only on how they should be integrated. I do not think that that is correct. Surely in making a decision of such magnitude, with the implications that it could have for both forces, the Government would want to look at all the options for devolving the BTP, which could have ranged from administrative changes to the full-blown legislative option that is being foisted upon us by the SNP.

The Smith commission certainly stated that the responsibility could be devolved but, as with every issue in the agreement, it said that the changes

“should not cause detriment to the UK as a whole nor any of its constituent parts”.

I seriously believe that, on that simple test alone, the SNP plans fail.

Nigel Goodbrand, the chair of the British Transport Police Federation, is quoted today as saying that the plans could at times “leave the network unguarded”. Clearly the changes will have a significant impact on various aspects of both forces. For example, police call centres are already under strain across the country and proposals have been made that will see more of them closed. However, in a written answer to my colleague Liz Smith last August, the cabinet secretary accepted that an increase of more than 2,000 a year in emergency calls going into call centres that are already under pressure will happen if the functions of the BTP are assumed by Police Scotland.

John Mason (Glasgow Shettleston) (SNP): Does the member agree with a lot of my constituents who do not understand why there is

one set of police on the railways, while 20m away, there is a completely different set of police running things?

Douglas Ross: I will answer that point in a moment when I quote from the British Transport Police and the British Transport Police Authority's response to the plans that the SNP is trying to forge ahead with. When they looked at all the available options, they said that absorbing the BTP Scottish operations into Police Scotland was “the most complex route to devolution”.

They continued:

“If the policing of the railway network were to be carried out by two bodies, there is a risk for confusion to arise over who would record and investigate crimes, which would be highly distressing for victims and cause unnecessary delay.”

We have a procedure in place to avoid those problems but Mr Mason seems to think that his constituents want unnecessary delay and confusion. I do not want that for my constituents even if Mr Mason wants it for his.

Many questions remain about the proposals, including questions about accountability, costs, capacity and negotiations with current staff to name just a few. The Cabinet Secretary for Justice has made the case for the merger by highlighting Scotland's “distinctive approach” to policing but, where his Government's record is concerned, it is distinctive more for its mismanagement of the merger of Police Scotland and the eight legacy forces than anything else. With that track record, given that the SNP has yet to get policing in order, the public will be forgiven for wondering how they can reasonably entrust policies for the British Transport Police in Scotland to the SNP's care.

I see your pen waving, Presiding Officer.

I sincerely hope that the Scottish Government will listen to the concerns that are being raised about its plans. Rather than saying simply that it and only it knows what is best, the Scottish Government should take heed of the fact that everyone is telling it that it is wrong to forge ahead with the proposal.

We have a busy period ahead. Justice is a portfolio that forms the central and stabilising pillar of our democracy, but under successive SNP Governments it has not had its problems to seek in recent years. Scottish Conservatives will provide opposition to the Government's ill-thought-through proposals and offer alternatives to ensure that trust and faith can be restored in a Scottish justice system that has sadly been let down by the SNP Government.

15:25

John Mason (Glasgow Shettleston) (SNP): At the beginning of a new parliamentary session, it is worth remembering why the SNP remains in power. Over the past nine years, people have seen very competent government, able management of Scotland's finances, protection of the national health service and investment in housing, transport and other infrastructure. That is why—once again—the people of Scotland chose an SNP Government.

Clearly, the economy will be one of the key themes for Parliament and, I am sure, the Government in the coming years. As a member of the Economy, Jobs and Fair Work Committee, I look forward to scrutinising what the Government is doing and to encouraging or challenging it, as appropriate. On Monday, the committee had an away day in the Grassmarket and considered some of the many issues that could be on our agenda. Investment, internationalisation, innovation and inclusive growth are priorities to which, I think, most of us are happy to sign up.

Energy is a sector of the economy that continues to be crucial—in fact, some people thought that “energy” should be in the name of committee. The oil and gas industry faces challenges and is still hugely important in terms of production and decommissioning. However, we need to continue our focus on renewables. Solar power seems to be doing surprisingly well for Scotland, while tidal power is still in its infancy and offshore wind is costing a fair bit more than onshore wind.

Yesterday, a number of members spoke about the economy. They included Alex Neil, who addressed Brexit, devaluation and skills shortages; Stuart McMillan, who addressed housing; Clare Adamson, who addressed the Ravenscraig closure and the resulting poverty; and Alex Rowley, who addressed housing and apprentices.

Neil Findlay (Lothian) (Lab): I have a question for John Mason before he moves off the subject of energy. If proposals to proceed with fracking in Scotland come before Parliament, will he oppose them?

John Mason: I very much agree with the Government's current position, which is that we should be extremely cautious about fracking and should go ahead with it only if there is real and serious reassurance about it. I must say that cheaper fuel for some of my constituents would be the attractive side of it.

Yesterday, I was disappointed by the attitude of Ruth Davidson. She seemed to be fearful that Scotland should be in any way different from the UK. I accept that businesses might pay a bit more

in rates here, but I am not sure that that is a serious problem. We cannot use corporation tax to tax business profits, so business rates are our only option. Further, if we can invest more in education and ensure that businesses here get a better-prepared workforce than they would down south, businesses will be the winners.

Yesterday in the Economy, Jobs and Fair Work Committee, we had a useful meeting on labour market strategy with Jamie Hepburn, the Minister for Employability and Training. The strategy has 42 pages, and I do not think that it pretends to have all the answers, but the important thing for me is that it sets out many of the challenges and the steps that are being taken to address them. I am sure that that is a subject that the committee will want to focus on over the next five years. The name of the committee is the Economy, Jobs and Fair Work Committee, so we want to keep a balanced focus on all those aspects.

The number of jobs and the quality of jobs are huge issues: both are important. The widening gap between those who earn the most and those who earn the least is of concern to many of us. I accept that it is also very much an international problem. It is probably beyond the control of Westminster, and dealing with it certainly requires powers that this Parliament does not have.

However, we play our part, and pushing forward the living wage is a key element of that. There is little point in growing the economy if it is not possible for all our citizens to benefit. The idea that those who own or manage a business should be free to take as much reward as they want while ordinary workers get a pittance cannot be acceptable in modern Scotland. I accept that the answers are not easy but, for starters, we need to accept that we have a big problem, which the labour market strategy highlights. Other topics that the strategy touches on include the ageing working population, advances in technology, women returning to work, adapting the workplace, European Union protections for workers, keeping skills up to date, challenges for disabled people and carers who want to work—and the list goes on.

I am also fortunate to be on the transport committee—or the Rural Economy and Connectivity Committee, as it likes to be known. A lot of exciting things are happening in Scotland—not the least of which are the new Forth crossing, which the committee heard about this morning, the A9 dualling and the Edinburgh to Glasgow rail improvement programme. In one sense, those projects are improvements to, or upgrades of, existing infrastructure and are not new in the sense of reaching new destinations. That highlights a challenge for us as a country. Do we want more shiny new infrastructure or should we

put more effort into maintaining and improving existing roads and rail lines? We all need to consider that.

I will mention two upcoming bills that I very much welcome. When the Rural Economy and Connectivity Committee visited an estate near Nairn a fortnight ago, we heard quite a lot about forestry and the sector's potential. I hope that, as we get the forestry bill and move forward, agriculture and forestry can be more joined up and integrated.

I very much welcome the railway policing bill and the integration of the British Transport Police in Scotland with Police Scotland. To be frank, the public want a simpler system—they do not understand why one police force does virtually everything while a separate police force looks after the railways. The one main proviso is that the specialist function must be maintained. A fatality on a road can mean a lengthy closure, but that cannot be allowed on the rail line, where there is no alternative route.

I am very happy to support the programme for Scotland. I look forward to all the other parties supporting it, too.

15:32

Claire Baker (Mid Scotland and Fife) (Lab):

An advantage of speaking on the second day of the programme for government debate is having the time to reflect not just on the First Minister's statement but on the wider policy document that accompanies it. As the First Minister set out yesterday, a number of justice bills are to be introduced; however, a number of justice issues that do not need legislation also require our attention.

As Scottish Labour's justice spokesperson, I will work constructively with my colleagues from all parties when our interests and views align. There is scope to reach consensus on some parts of the programme for government. The proposed contract (third party rights) bill and expenses and funding of civil litigation bill are two welcome pieces of legislation that the Scottish Law Commission recommended. We will work with the Government on their delivery.

The limitation (childhood abuse) bill was announced yesterday. The child abuse inquiry is challenging and needs to secure victims' confidence. The forthcoming legislation to remove the limitation period for child abuse survivors is important and necessary, so I welcome the intention to introduce it in the year ahead. The subject will need to be debated, but we must deliver justice for those victims.

I echo Kezia Dugdale's remarks yesterday about the Government's intention to introduce a domestic abuse bill, which I and my party very much welcome. We have seen this week the first indication of the impact of Clare's law. Almost 1,000 Scots have felt the need to check their partner's history. The fact that 42 per cent received information about a potentially dangerous partner indicates that much more needs to be done to tackle domestic abuse. I understand that time has been set aside to discuss domestic abuse in greater detail next week.

This afternoon, I will focus on the British Transport Police and Police Scotland. Last Friday, the British Transport Police announced its decision that its officers in Scotland would be issued with Tasers. The recent death in England of former football player Dalian Atkinson after Taser use has received a high profile. Tasers are classified as non-lethal, but they are potentially deadly and should not be deployed and used lightly. There is also legitimate public concern about routine deployment of armed police officers. Although the Cabinet Secretary for Justice gave a statement on the increase in armed officers, I am disappointed that no such scrutiny has been applied to the announcement on Tasers. It is right that officers are able to respond appropriately and that public safety is paramount, but we should not allow that step to take place without any proper parliamentary scrutiny.

There was also the announcement of the railway policing bill. Concerns have already been raised in the chamber, as well as by the Associated Society of Locomotive Engineers and Firemen, the National Union of Rail, Maritime and Transport Workers and British Transport Police officers about the Government's intentions.

The Smith commission agreed that the functions of the BTP should be devolved, with accountability to the Scottish Parliament and Government. What was not agreed was that the BTP should be scrapped and swallowed up by Police Scotland—a centralising move that risks losing valuable expertise and which erodes the cross-border nature of the transport police. The BTP set-up at the moment works well and serves us well in Scotland. However, we have significant concerns about the future of the BTP and very little assurance from the Government about future staffing and service levels. The consultation that the Government held recently was focused solely on how the BTP should be integrated into Police Scotland. Only one model was presented in the consultation. The Government should now listen to those who know the service best and keep the independence of the BTP.

This summer has also seen a number of reports from rank and file police officers about the strain

that is being put on the service, including a series of astonishing tweets over the summer from the Scottish Police Federation. According to serving officers, in a number of incidents decisions have been taken in which the main objective appears to have been to save money rather than to ensure that our communities are safe. That includes claims that people who should be held in custody are being released in order to avoid officers staying on to complete the case and incurring overtime; that officers are being told not to be proactive and investigate drug dealers; and that officers investigating disturbances are being denied requests for a police dog because that would send the unit officer into overtime. We have even heard ridiculous stories of officers claiming that they have been told not to use tea towels or hand towels because it would cost money to wash and clean them, and of officers shopping in charity shops to purchase equipment. That was all from the Police Federation over the summer.

One incident may be passed off as being isolated. However, when a pattern emerges, serious questions have to be asked. Yesterday, the First Minister claimed that the Government is protecting the police budget, but this is a Government that is standing still while the force is at risk of going backwards.

In the previous parliamentary session, we witnessed the closure of police front desks and the shutting of local courts, and a feeling among many people that policing in Scotland is no longer local. There were reports of police divisions regularly sitting under operational base levels, particularly in the east and in our rural areas, and often of community officers being underresourced. We have the opportunity, through the budget and through the strategic police priorities, to change that situation. We need greater leadership from the Government, from the Scottish Police Authority and from Police Scotland on the big challenges that are facing policing.

The Government likes to highlight that crime is at a 40-year low, yet—according to recent figures—in Scotland only 38 per cent of crimes are reported, only 58 per cent of the public have confidence in the police and only 63 per cent of those who reported a crime were satisfied with how it was handled.

We can and we must do better in this parliamentary session when it comes to our police force.

15:38

Jenny Gilruth (Mid Fife and Glenrothes) (SNP): Yesterday was just like the first day back at school—128 MSPs sat, mostly well behaved, keen to begin the new parliamentary session with

positivity and with a genuine desire for Scotland to aspire for all her people. The First Minister has set out the priorities for the Scottish Government in the year ahead. Much like a school improvement plan, she explained what steps this Government intends to take in order to make our country fairer and more prosperous.

I want to use my speech to talk about the importance of infrastructure and connectivity, particularly for communities that are not closely linked to big cities.

My constituency of Mid Fife and Glenrothes is both urban and rural. From the town centre of Glenrothes to the seaside beaches of Lower Largo, vital transport links make job opportunities possible for my constituents. Over the parliamentary session, almost £20 billion will be invested in a major infrastructure programme that is designed to help to build Scotland's future. As a Fife MSP, I know only too well the importance of that investment. The new Queensferry crossing has been supported by more than £1.3 billion of Scottish Government funding. The 1.7 miles long structure will be the longest three-tower cable-stayed bridge in the world. Far from being a vanity project, the new bridge is a feat of Scottish engineering of which we should all be proud.

The bridge is a vital connector for Fife because we are, to some extent, an island region, encased by the River Tay to the north and the River Forth to the south. Indeed, my father was—allegedly—the fifth person to cross the new Tay road bridge in 1966 after he and his pals cycled at pace behind the Queen Mother's car on the opening day. Although I am not of that vintage, I am old enough to remember the bridge tolls—which were scrapped by the SNP Government in 2008—that taxed Fifers £1 for visiting the south and the bargain price of 80p to visit the sunniest city in Scotland—Dundee.

The bridges play a vital role in connecting Fife to our major cities and therefore in opening up trade opportunities for our businesses, which would otherwise cease to exist. In the winter of 2015 we all became acutely aware of the bridges' importance, following the sudden closure of the Forth road bridge. It is because of the Scottish Government's investment, and the recognition of the importance of infrastructure to Fife, that we now have a new Queensferry crossing.

During the summer recess I was fortunate to visit the new crossing alongside my colleague Shirley-Anne Somerville MSP, and Murdo Fraser MSP. We scaled the dizzying heights of the north tower in the small yellow lift that can be seen on the drive across the Forth road bridge. It shoogled us up to the very top, which is two thirds of the height of the Eiffel tower. The project director on the new crossing told us that, on a clear day, it is

possible to see all the way to Ben Lomond. The views of my constituency were fantastic. The sheer height of the crossing certainly conveyed to us the skill and bravery that are involved in the vital work that is being done by the 1,256 people who are employed on the new crossing.

The main road that links the Forth and Tay bridges is the A92. The stretch of the road that runs through my constituency and north beyond Freuchie has witnessed a concerning number of accidents over the years. Between 2004 and 2014, a total of 259 accidents were recorded. I acknowledge the work of the Glenrothes area futures group in that regard, and I am aware that the group recently submitted its action plan to Transport Scotland. I look forward to meeting Transport Scotland next week to discuss its report on the road, prior to publication. Although I am glad that the Scottish Government has committed to a further £200,000 of investment in the A92, I publicly reiterate the need for Fife Council, Transport Scotland and the Scottish Government to work in partnership on the vital improvements that are required to that route.

The Scottish Government refreshed the national transport strategy during 2016 and intends to continue to work with stakeholders to commit to a full review. I would like much-needed improvements in communication from Transport Scotland, with community groups as part of that.

Someone crossing to the east part of my constituency will find the Leven railway station—or at least they would have done before 1969, when it closed. The old line now sits untouched. It is 5 miles in length and links the town with Thornton and the main line. When it was first opened, it helped Leven to become a tourist destination. My granddad, from Springburn, used to tell me stories of his family visiting Leven for their summer holidays from Glasgow. Levenmouth is the largest urban area in Scotland that is not directly connected to rail. The Borders railway has shown us how investment in rail infrastructure can yield benefit for communities. Levenmouth direly needs that investment. I am delighted that the Government has committed to investing more than £5 billion over the next three years to revolutionise a rail industry that has been badly neglected over the decades.

However, the programme for government is not just about roads and railways. It is also about a subject that is close to my heart: education. I am very proud that the Scottish Government is the main financial contributor to the new Levenmouth academy, which opened last month, with £25 million of Scottish Government money supporting the new campus. It is a state-of-the-art building and it supports partnership working with Fife

College on site, providing pupils with much-needed training opportunities.

We need to connect people with job opportunities and to open up investment for businesses—especially in rural areas. New schools will link to new transport priorities, which will provide the next generation with the jobs and opportunities that are required to close the gap between Scotland's poorest and wealthiest citizens.

I am glad that the programme for government commits to direct investment in transport and connectivity. As MSPs, we all have a duty to translate what that will mean in practice for the communities that we represent, which is exactly what I have outlined in my speech today.

15:43

Mike Rumbles (North East Scotland) (LD): I listened to the First Minister's statement outlining her Government's programme for the coming year. I waited, hoping that she would address the problems that have occurred over the past 12 months with the roll-out of the common agricultural policy payments to our farming communities. I waited for some confirmation that with the Scottish Government's payments to our farmers for the coming year there would not be a repeat of this year's shambles. I waited, I waited and I waited. Am I surprised that no mention was made of the Scottish Government's common agricultural policy payments to our farmers? No. The First Minister's statement was predictably long on rhetoric, self-praise and wishful thinking.

The incompetence that the Scottish ministers have shown on the issue is clear to all. One would think that the First Minister would take this opportunity to assure our farmers that this year's incompetence will not be repeated in the coming year. I see the First Minister in the chamber and I would be perfectly happy to take an intervention if she could guarantee that. No such reassurance has been given, and it is still not being given.

Although the First Minister ignored her Government's shambles over the common agricultural policy payments to our farmers, she turned briefly to the issue of the European Union. She said that

"Sixty-two per cent of those who voted in Scotland"

in the recent referendum

"voted to remain"—[*Official Report*, 6 September 2016; c 20.]

She did not say that 62 per cent of Scottish voters voted for the UK to remain in the EU. We were part of the UK vote, just like other areas such as London, Newcastle and Northern Ireland. She again irritated me and, I suppose, many others

when she said earlier this afternoon that she accepts that the Prime Minister has a mandate in England and Wales to leave the EU. There was a UK vote and a UK mandate and, despite what I would like, we are leaving the European Union. The First Minister is as divisive as ever in her use of language.

At the end of her statement yesterday, the First Minister said that she will consult on a draft referendum bill so that it is ready for immediate introduction “if we conclude” that independence is the only way forward. Is that the royal “we” that she used, I wonder? In case the First Minister gets ahead of herself, she should be reminded—I aim to do that—that Scotland has two Parliaments, one of which deals with reserved matters—*[Interruption.]* I will take an intervention from the Deputy First Minister if he wishes to intervene, rather than mutter away.

The Deputy First Minister and Cabinet Secretary for Education and Skills (John Swinney): I wonder whether Mr Rumbles could summon up the gumption to say something positive in the debate about what the Liberal Democrats are going to do. We have heard a miserable summary of the politics that they have had for years, which is the reason why there are only five of them.

Mike Rumbles: I hoped that the First Minister or the Deputy First Minister would give an assurance to farming communities across Scotland that the shambles that they have presided over this year will be reversed and will not happen again. Nothing has been brought forward to that effect.

This is not the Parliament that deals with constitutional issues. The First Minister knows that any bill that the Scottish Government brings to this chamber has to be signed off by our Presiding Officer to say that it is compliant with the European convention on human rights and is within the powers of the Parliament. If the First Minister somehow manages to clear that hurdle—I very much doubt that she will—our Scottish courts would strike down the referendum as illegal. Of course, that is nothing new for the Government because, just a few months ago, the Supreme Court ruled that one of the Government’s acts was indeed illegal and struck it down.

This is a bizarre debate. The First Minister has spent the summer months talking about nothing other than a second referendum on breaking up Britain. It is clear that that and nothing else is her priority over the coming years. It is extremely arrogant of her to say that she will decide what is in the interests of the Scottish people. Two years ago, the Scottish people told her what was in their interests, which is to stay within the United Kingdom. Therefore, the programme that was

outlined yesterday has to be taken with a huge pinch of salt.

I for one believe that, if the SNP Government would just put aside its continuous divisiveness—we have heard it again today—it would have the opportunity to focus on real measures that are important to the people of Scotland, not least our farming communities across Scotland, who have been completely neglected as a result of a shambles that the Scottish Government presided over. The SNP needs to focus on the day job of trying to improve peoples’ lives in Scotland, rather than continue with that divisive programme.

15:49

Clare Haughey (Rutherglen) (SNP): I am pleased to speak about education, which is a key element in the programme for government debate. I am sure that colleagues across the chamber agree that education is an important aspect of a child’s development. It is only right that politicians of all persuasions focus on ensuring that, as a nation, we deliver a first-class education system that leaves no child behind, regardless of their social background.

A lot has changed since I and many other members were at school. The world that we were prepared for when leaving school will be considerably different from the world that will face this year’s primary 1 pupil intake when they leave in 2029. The Scottish Government’s commitment to education recognises the fast-changing environment that we live in and the need to anticipate future learning requirements. The proposed reforms will free up time and empower teachers to do what they do best, which is teach.

I believe that three key areas are essential to providing good education: curriculum design, environment and equality of opportunity. Those areas have been central to the Scottish Government’s education strategy since 2007.

The curriculum for excellence, which was introduced in 2012, was the culmination of nearly a decade of work. It was initiated by the previous Labour and Lib Dem Executive in 2003 and brought to fruition by the SNP Government. It was seen as a phased process of reform that would take account of advances in education and deliver a curriculum that both challenged and supported a child’s full educational journey. It is about lifelong learning and the development of the young workforce of the future, and it provides children with the skills required to survive in the ever-changing modern workplace. It is also about being flexible and innovative and engaging with businesses and employers to get them to come into schools, introduce the world of work to pupils at an early age and increase their employability

skills. Above all, it is about ensuring that literacy, numeracy, health and wellbeing are at the core of the development of every child and are a shared responsibility across the school.

The hard work is bearing fruit. This year, Scotland's students achieved nearly 153,000 higher passes, which is an increase of more than 40,000 since 2006. Last year, record levels of young people—91.7 per cent—left school for a positive destination in further education, training or employment. All that is testimony to the great work that is being done by staff and pupils in schools across the country, and we should applaud them for their commitment and success.

Reform on such a scale will always bring challenges as it evolves. I applaud the recent announcement by the Cabinet Secretary for Education and Lifelong Learning on new guidance on the curriculum, which is designed to reduce the burden of bureaucracy on teachers and has been welcomed by the largest teaching union, the Educational Institute of Scotland.

The teaching environment is also important. No child should have to learn in a school that is in a poor or bad condition. The programme for government reaffirms the Government's commitment to providing children and teachers with the best possible environment in which to learn. An additional 29 new schools are planned this year, which will take the total number of schools built or refurbished under this Government to more than 630 since 2007. That is almost a quarter of the school estate and nearly double the total number of rebuilds and refurbishments that were undertaken between 1999 and 2007. In addition to positive learning environments, that work provides skilled jobs and apprenticeships in local communities.

Equality of opportunity should mean that a person's social background or circumstances should not be a barrier to their ability to learn, achieve or attain good educational outcomes. Through the Scottish attainment fund, the Government intends to invest £150 million in our schools over the next year. That will help teachers at schools in areas of deprivation across the country develop innovative approaches to improving literacy, numeracy, health and wellbeing, in order to close the attainment gap.

Raising attainment starts with the youngest. High-quality childcare benefits children and also helps parents to work, and I welcome the £500 million pledged by the Government to nearly double childcare to 30 hours per week. The Scottish attainment challenge primary schools programme is part of that initiative. Primary schools across the country, including six in my constituency of Rutherglen, will benefit. The programme presents an opportunity for those

school communities to look at innovative ways of closing the attainment gap and will work with parents, teachers and education leaders to support their ambition for both excellence and equity.

The attainment fund sits within a wider programme of school reform that includes action to empower local leadership within schools, by directing more resources to headteachers and allowing them the freedom to invest those extra resources on what they feel will have the biggest impact in their schools. The focus is on reducing the unnecessary workload of teachers and the simplification of curriculum for excellence.

Education is at the heart of the programme for government. Delivering those commitments will help us realise our ambition to ensure equality of opportunity for every child and young person to be the best that they can be, to close the attainment gap and to deliver a first-class education system.

15:54

Peter Chapman (North East Scotland) (Con):

I declare my interests in farming, which can be seen in the register of members' interests.

The Scottish Government is to introduce a number of bills in the rural economy portfolio. When it comes to crofting, there is clear cross-party support for reform of the current legislation, and I hope that we can produce a bill that will properly support crofting communities in Scotland.

We also expect the Scottish Government to make secondary legislation on land reform, in relation to tenant farmers. There are problems in that regard. Just last week someone who is looking for a tenancy in Aberdeenshire wrote to *The Scottish Farmer* to say that they know exactly why they cannot get one. The person said:

"Why would a landlord then rent a farm out again at the risk the rules change and a new game is played? Would you be happy to have bought a house, rented it out, and the tenant can turn round and demand money for going out"—

or indeed demand to buy the house? I could not have put it better myself. It is time for the Government to listen to the ordinary young people who are looking to get a start in farming.

The Government's manifesto indicates a desire to pass legislation on both inshore and wild fisheries. The wild fisheries bill must be handled carefully, but we absolutely need to tackle the issue of sea lice on farmed salmon. At a recent meeting of the North Atlantic Salmon Conservation Organisation, Scotland's regulatory regime was slammed; it has been said that the regime

"lags far behind all the countries in the North Atlantic".

I hope that the Scottish Government will take the opportunity to improve codes of good practice, to maintain Scotland's excellent reputation for farmed salmon.

While we wait for the full detail of the Government's legislative programme on rural matters, there is plenty for ministers to get on with. As Mike Rumbles said, we still have a shocking situation with regard to CAP payments. More than 1,000 farmers are still waiting for their full payments. Indeed, several of my constituents have contacted me to complain bitterly that they received their initial payment only two weeks ago—nine months late. Until then, they had received no loan, no payment and not a penny.

We know how that happened. Money was poured into an information technology system that did not work and is still not working. The Government will not tell us when the system will be fully functional. Hardworking officials in area offices up and down Scotland are being let down by the Government's inability to deliver the required IT system, which is further evidence of the need for a parliamentary inquiry into the debacle. Audit Scotland exposed much of the debacle in a report, but if farmers are to have any confidence in the system, MSPs must be able to scrutinise the Government on the mess.

Mike Rumbles: Are the Conservatives as concerned as Liberal Democrats are that even now the Scottish Government, given the opportunity, will not confirm that for the coming year's payments there will be no repeat of the shambles of the previous year?

Peter Chapman: We are. For the sake of the thousands of farmers who are seriously affected by the shambles, I hope that Fergus Ewing has a plan to get the IT working for this year's payments. Our rural communities cannot afford to be at the mercy of the SNP's incompetence again.

I recently met leaders of the offshore fishing industry in Peterhead, who explained the many potential benefits of the Brexit result. I cannot understand the SNP's denial of the potential benefits for the fishing industry. We have some of the best fishing waters in the world, and getting control over them will be a huge benefit.

Derek Mackay: Will the member join me in calling on the UK Government to confirm the continuation of payments worth £750 million to communities in Scotland, including the communities that he mentioned—payments to which we would have been entitled if we were still part of the European Union?

Peter Chapman: We have two years to get to that position, and in the meantime nothing will change. I am talking about the many potential

benefits of Brexit, and I cannot understand the SNP's denial of those benefits.

When fishermen list the priorities that would help their industry to grow and that would support coastal towns, will the SNP listen? Sadly, no. When a group disagrees with the Government politically, will the SNP put those issues aside and work for people's best interests? Again, no. Could it be that, rather than standing up for Scotland's fishermen, the Government is talking Scotland down? Of course, we know why the SNP behaves like that. We know that the business of running Scotland and getting the best deal for its people is never the top priority; it cannot be the top priority, because the SNP's focus is on pushing for independence no matter the cost. Rather than playing the politics of division and grievance, the governing party should be working with the UK Government to deliver the best Brexit deal for Scotland.

I voted remain in June, but I accept the result. That is how democracy works. Although I appreciate that it may be a difficult concept for the SNP to understand, it is the reality. There are real opportunities for farming and fishing communities following the EU referendum result, and we must grab them with both hands. If the Scottish Government does not, the SNP will be remembered for sacrificing rural Scotland on the altar of independence.

16:01

Graeme Dey (Angus South) (SNP): For those of us who inhabit the environmental bubble, it is easy to forget that we often talk in terminology that resonates pretty much only with those who are similarly inclined. That issue was brought into focus during a chamber debate last session when Alex Fergusson suggested that, rather than talking about biodiversity and risking quizzical looks from the vast majority of the people we are trying to reach out to, we should talk about the balance of nature, which is, after all, what biodiversity means.

In her programme for government speech yesterday, the First Minister identified another helpful change of language around the hugely important issue of climate change. Earlier this week, as the convener of the Environment, Climate Change and Land Reform Committee, I wrote to the Scottish Government, asking it to delay publication of the draft third report on proposals and policies until early January in order to maximise the opportunity for committees and the wider Parliament to scrutinise that hugely important report. But what does "RPP3" mean to the generally largely unengaged public out there? Styling it as the new climate change plan—something that WWF has also taken to doing—will make it resonate better with a wider audience,

because that title will spell out clearly what the RPP actually is.

That matters because, on the back of Scotland's success in reaching its 2020 greenhouse gas emissions targets six years early, RPP3 represents an opportunity to ramp up the ambitions and aim to achieve a 50 per cent reduction in emissions by 2020. In doing that, we will be moving into areas requiring considerable behavioural change that will need serious buy-in not just from the public and private sectors but on an individual level, so the messaging around RPP3 and other climate change-related legislation matters. Therefore, laying out the demands that will be made of the transport sector in the plan, which the programme for government document does, is a welcome step.

As a country, we must embrace strategies that reduce demand for transport and decarbonise vehicles, and if the reduction in air passenger duty produces a net increase in emissions—as it is recognised that it will—climate change legislation will have to identify and ensure the delivery of countermeasures to that. RPP3 and the planned new climate change bill will bring a new focus on how we build on our achievements thus far. So, too—fully integrated with the new climate change plan as it is intended to be—will the planned new energy strategy, which will lay out the Government's low-carbon infrastructure priorities and target reductions in energy demand. The forthcoming warm homes bill is another welcome and necessary step in the right direction, given that such a large proportion of our emissions comes from heating.

Some of those measures will—either in their entirety or in part—come under the direct scrutiny of the Environment, Climate Change and Land Reform Committee, and there are other measures in the programme for government that will sit within the committee's brief and impact on climate change adaptation. The investment of £3.6 billion through Scottish Water to upgrade water and sewerage infrastructure is one such measure. However, reading the document, I was struck by the range of other measures that, in some degree, will impact positively on our emissions journey without in any way coming under the remit of the ECCLR Committee or, indeed, the remit of the Cabinet Secretary for Environment, Climate Change and Land Reform. The proposed forestry bill could lead to improved levels of tree planting, assisting with carbon sequestration as well as helping to tackle flooding. The replacing of old school, college and hospital buildings with more modern, energy-efficient and environmentally friendly facilities will help, as will the rail improvements that are coming down the track. That illustrates how embedded in virtually every

aspect of government activity cutting emissions and tackling climate change are and must be.

Turning to other matters that are identified in the programme for government, I note that two areas that will command the attention of the Environment, Climate Change and Land Reform Committee are progress on reaching 1 million acres of land in community ownership by 2020, and oversight of the process of devolving control of the Crown Estate and ensuring that it operates in a way that requires it to take cognisance of much more than simply generating revenue.

Not surprisingly, the raft of secondary legislation under the Land Reform (Scotland) Act 2016 will command our attention, too. In her speech, the First Minister referenced the establishment of a register of controlling interests for land ownership and the Scottish land commission becoming operational as two key aspects of that. There are others of importance, such as the land rights and responsibilities statement. We as a Parliament must also recognise the need to explore how we build capacity across Scotland to take full advantage of the opportunities that are created by the Land Reform (Scotland) Act 2016 and the Community Empowerment (Scotland) Act 2015. Delivering on the potential of those opportunities is not just about funding, it is also about ensuring that all our communities are supported in other practical ways to face up to the demands of the processes that they will be entering into.

On the subject of taking a rounded approach, I highlight what I hope will be an important aspect of the comprehensive decommissioning action plan that Scottish Enterprise is working up. We should of course maximise the economic return for Scotland from an activity that it is estimated could attract a spend of £17 billion, but the plan must—I am sure that it will—take account of the potential impact on the marine environment. Removing structures from the North Sea and dismantling them can and will create jobs, but there is a serious discussion to be had about the circumstances in which, from an environmental perspective, it might—and I stress "might"—be advantageous to leave elements of them in situ. The highly respected Scottish Wildlife Trust has made that point. My appeal is that the best interests of the marine environment—not perhaps in the most obvious way—are a priority consideration in any decisions that are made and that those decisions are made on a case-by-case basis.

In conclusion, reading through the programme for government document, I note that, although it was not highlighted by the First Minister yesterday, my committee can anticipate a bill on wild animals in circuses coming its way. Further down the line, we can look forward to bills on wild fisheries and

the circular economy. Never let it be said that life as a member of the Environment, Climate Change and Land Reform Committee is lacking in variety.

The Deputy Presiding Officer: Before I call Andy Wightman, I say to Maurice Golden, Lewis Macdonald and James Dornan that they are down to five minutes as a result of interventions in the debate so far. I think that that is a fair compromise.

16:07

Andy Wightman (Lothian) (Green): Like my colleague Patrick Harvie, I welcome much of what the First Minister announced yesterday. I confirm that we will play a constructive role in supporting those measures where we can agree, in arguing for changes where we think that they are necessary and in opposing the proposals that we think are misguided.

I want to focus my comments on a few areas of the programme where we will be working across the chamber to persuade ministers to be bolder. Deep down, we share ambitions to work not just to amend, to reform and to change the law, but to transform, to revitalise and to democratise the way in which we approach so much of Scottish public policy.

For example, the Government is committed to inclusive growth and tackling inequality. The First Minister has committed to implementing all the recommendations of her adviser on poverty and inequality, Naomi Eisenstadt. However, the Government has already rejected recommendation 9—

“Be bold on local tax reform”—

by ignoring Professor Eisenstadt’s exhortation to introduce a new system that is, in her words, “genuinely progressive” and to focus on the bottom 40 per cent of the income distribution in order to tackle income inequality effectively. Earlier this afternoon, the finance minister claimed that the proposals tabled today on council tax reform would be more progressive—it is only possible for something to be more progressive if it is progressive in the first place.

Council tax—the grubby, miserable little compromise that the Government has forced on us—will remain, even after the changes to be made, probably the most regressive tax in the United Kingdom. According to analysis by the Scottish Parliament information centre, the bottom 10 per cent of households by income will be paying around 9 per cent of their equalised household disposable income in council tax, with the top 10 per cent paying a mere 3 per cent. Moreover, ministers have compromised the fiscal autonomy of local government to such an extent that it is now in breach of international law in

respect of at least two articles of the European Charter of Local Self-Government.

Similarly, Professor Bell and David Eiser showed back in 2013 that the top 1 per cent of earners in Scotland had, over the period from 2007 to 2009, increased their share of total income by more than all the remaining 99 per cent put together. A solution to that is to introduce a properly progressive income tax system with a top rate of tax that acts as an effective curb on excessive pay demands, but that challenge has been ducked, too.

Those are examples of where expert and international evidence points to bold and decisive action but where the response of the Scottish Government is timid retreat.

Another area where we need bolder action is on housing. Although the Government’s target of 50,000 new social and affordable houses is welcome, it remains unambitious in relation to the overall housing market, where housing completion targets remain unfulfilled, and the unwillingness to challenge the failed model and vested interests of the speculative volume house-building industry means that we forgo the opportunity to create a better system that is more affordable, of higher quality, and more lasting and democratic.

That brings me to another of the Government’s priorities: community empowerment. Welcome as the focus on that issue is, it is increasingly clear that we are reaching a point where the ambitions of communities are being hindered by the lack of real political and economic power.

In recent weeks, I have travelled around Scotland speaking at meetings as part of the our land festival. From the radical visions of the communities in Kincardine and Valleyfield in Fife over the future of the Longannet colliery and power station to the frustrations of communities that are faced with intractable disputes over mineral rights or with intransigent landowners, folk across Scotland are rising to the challenge. I welcome that, as I welcome the Government’s continuing commitment to empower communities.

This is the first Administration since devolution that has reform of local government rather than simply local government as one of the responsibilities of a Scottish minister. It is in that realm that real community empowerment can be achieved by following the recommendations of the Convention of Scottish Local Authorities commission on strengthening local democracy in Scotland.

Over this session of Parliament, we will face the challenge of delivering on the warm homes and fuel poverty agenda. That will involve co-ordinated work between housing, planning, fiscal policy, climate change and energy policy. However, we

do not know from the programme for government what the Scottish Government's ambitions are for this vital bill, which the Greens have argued for as long as the Parliament has existed. We look forward to working with others across the chamber to make sure that the bill is worthy of the name.

I welcome proposals in the First Minister's programme for government for a forestry bill and the opportunity to reform the current act which, next year, will be half a century old. Forestry does not get much of a hearing in this Parliament, but the restoration and expansion of forest cover is vital for our economy, for the ecological health of our land and soils, for water and flood management, for recreation and, above all, for its role in tackling climate change. Existing targets for forest expansion are not being met and the bill provides the opportunity to do much more than meet the existing goals set by ministers to complete devolution. It also provides the first chance in 50 years to modernise the governance and democratise the management of public forests and to provide the tools for delivering on bolder reforestation targets.

Over recess, I have been repeatedly telling those outside this place to be ambitious in the demands that they make of us. I hope that all members agree that, with new parliamentary arithmetic, a five-year term, new powers and a Parliament in which we all have a mandate, we can rise to that challenge.

16:13

Maurice Golden (West Scotland) (Con): I recognise and respect the Scottish Government's narrative about moving towards a low-carbon economy in its programme for government. However, the circular economy goes one step further by creating the right conditions so that we can deliver wins for businesses, consumers and, indeed, the environment.

We already have an estimate that the prize to the Scottish economy of following a circular economy policy would be about £3 billion, with 20,000 associated new jobs. However, that can be realised only with the appropriate associated Government programme. Therefore, any legislation or initiatives must reflect a long-term approach to ensure that the priorities of the Government and the Parliament are truly reflected in the longer term for the benefit of Scotland.

I also recognise that not every decision can be justified in purely financial terms and not every investment has to deliver an immediate profit. That is why I believe that the incorporation of natural capital into our decision-making processes for the public sector initially—and the private sector eventually—is critical. A fantastic example of that

is the Irvine to Girvan nectar network, which is a wildlife corridor and haven for bees and butterflies. In respect of climate change, I recognise that progress has been made but, in order to realise our ambitions, we must have sector targets for housing, transport and heat, where performance has been comparatively poor.

I welcome the fact that the First Minister agrees with Ruth Davidson that a commitment to ensuring that everyone in Scotland has a warm home should be a Government priority. If we are to decrease fuel poverty, we must ensure that homes throughout Scotland are insulated. Linked to that, to ensure that Scotland's carbon emissions from heat are decreasing, we must increase the provision of district heating as well as the use of renewable heat, which, of course, does not involve burning waste. I also welcome the new manufacturing institute, and I trust that it will also focus on remanufacturing to augment the work of the Scottish institute for remanufacture.

I was shocked to learn yesterday that Scottish Enterprise has been tasked with constructing a comprehensive decommissioning action plan. I was shocked not because the plan is not needed but because we do not already have one; after all, we have known for many years now that the infrastructure in question has needed to be decommissioned. The value of decommissioning that infrastructure has been put at £40 billion over the next 30 years, and 35,000 jobs are linked to it. Between now and 2024, 620,000 tonnes of infrastructure will need to be decommissioned, including 79 platforms and jackets as well as 321 modules requiring to come onshore. The total numbers are even more staggering; there are 570 platforms in the North Sea and a web of sub-sea infrastructure that includes 40,000 concrete mattresses on the sea bed, which equates to around 200,000 tonnes of concrete.

However, Scotland does not have the infrastructure to deal with that level of decommissioning; in the UK, only Teesside and potentially Tyneside have the ability to take a single-lift platform, which allows the infrastructure to be taken out in one go. As a result, unless action is taken and not just written down in an action plan, we will literally see all the value and the jobs floating down the sea to England and perhaps occasionally being grounded on a Scottish island.

The decommissioning sector is doing very well with its recycling rates, but rates of reuse, which provides not just financial but environmental value, are very poor. For example, reusing a pipeline can add five times more value than simply scrapping it; indeed, redundant steel was used to construct the Olympic stadium in London. I know that all the

information is available for this action plan, so I would like action to be taken on it this year.

The Deputy Presiding Officer (Linda Fabiani): Please close, Mr Golden.

Maurice Golden: I also look forward to scrutinising the Government's plans for the climate change bill, the circular economy and the zero waste bill.

16:18

Lewis Macdonald (North East Scotland) (Lab): If it is true that there are decades in which nothing happens and then weeks in which decades happen, this summer has been many decades long. It has been only a matter of weeks since the EU referendum but, to many, it feels as if it happened a long time ago.

This debate is about the Scottish Government's plans for this session of Parliament, but it has to be seen in that wider context. The challenge for Government is to respond to the prospect of Brexit and the certainty that there will be fundamental change both at home and in the nature of the European Union itself.

This should be an opportune moment not to revive the independence debate but to make best use of the new powers of the Scottish Parliament. At the end of July, Scottish Labour launched its own proposals for responding to the Brexit vote. We said that the Scottish Government should bring forward infrastructure spending, particularly for building thousands of new homes. We called for a Brexit support fund to support sectors that are threatened by the UK leaving the European Union, and we called for guarantees of workers' rights, certainty for EU nationals who live in the UK and action by Government at every level to tackle austerity.

We are, of course, more than willing to work with the Scottish ministers on mitigating the impact of Brexit and in trying to minimise the disruption to Scotland's relationship with Europe, but we need the Scottish Government to be bold and ambitious in taking action at its own hand rather than focusing only on the decisions that are taken by others.

Brexit is a new threat. The downturn in oil and gas has been happening for nearly two years now, and it is still hard to discern in looking at this week's programme for government a Scottish Government economic strategy to address the impact of that on the wider Scottish economy.

Yesterday, the First Minister announced one new initiative in that field: Scottish Enterprise will develop a comprehensive action plan to attract decommissioning work to Scotland. Many of the oil and gas and supply chain companies that have

been working together on that agenda since 2010 through Decom North Sea will be surprised to learn that the Scottish Government's agencies do not have such a plan in place already. The need for such a plan was graphically illustrated when the Transocean Winner drilling rig hit the rocks on Lewis last month and was towed away past the Arnish yard to be decommissioned at the other end of Europe.

A further plan to win decommissioning business is therefore welcome, if belated. I hope that the Scottish Government will work with the many businesses that are already engaged in that agenda and with ports and harbours right around the Scottish coast.

From a north-east perspective, I urge ministers to acknowledge the need to build on and go beyond the Aberdeen city region deal and to set dates by which some of the additional projects that the Scottish Government has promised will actually be delivered, not least on the east coast railway line at Montrose.

Other bodies—both public and private—recognise that a city deal alone is not enough and that Government needs to be proactive and not just reactive in diversifying the economy and underpinning future economic growth. Today, Aberdeen Harbour Board announced its preferred bidder for developing a proposed new harbour in Nigg Bay. Aberdeen City Council is actively promoting an agenda of further devolution from the Parliament to Scotland's cities and regions, and the private sector, through Opportunity North East and the Aberdeen Inspired business improvement district, is committed to regenerating and broadening the base of the local economy.

I hope that ministers will engage with all those initiatives in a positive way. If we agree that devolution is a process and not an event, we should also agree that the process of devolution must mean powers going out from Holyrood to local communities as well as powers coming in from Westminster or, indeed, Brussels.

More needs to be done in the field of skills, too. It is simply not acceptable, as we have heard this afternoon, that the Scottish Government is a year behind the UK Government in telling employers and training organisations how the apprenticeship levy will work. Likewise in education, which the First Minister says is at the centre of the plans, the lack of adequate investment in the north-east, as elsewhere, is truly alarming.

The University of Aberdeen, Robert Gordon University and North East Scotland College add £1 billion in economic value to the north-east economy. However, as Audit Scotland's reports this summer indicated, Scotland's universities and colleges have been at the sharp end of

Government cuts. Real-terms cuts in recurrent funding will have an impact across the board.

None of those issues can be resolved for free. A Government that truly wishes to rise to the challenges of these times in education, skills, the economy, the NHS and our relations with the rest of Britain and the rest of Europe will have to make tough decisions. The SNP's programme for government stops short of taking those tough decisions. Until ministers choose to use the powers that they have and make the difficult choices, the difficult challenges will simply not go away.

The Deputy Presiding Officer: We are now moving to the last of the open speeches. I remind members that, if they spoke in the debate yesterday afternoon, they should be present in the chamber for the closing speeches today.

16:23

James Dornan (Glasgow Cathcart) (SNP): Like many of my colleagues and very few—if any—of our political opponents, I wish to welcome the stream of positive policies for Scotland that were announced in the First Minister's statement in the chamber yesterday.

Obviously, as convener of the Education and Skills Committee, my main focus is on education. I am delighted to have seen the Government's commitment to that reinforced again in the statement.

However, it is not just in the field of education in which we are doing great things. The social security bill stands out as among the best examples to highlight the clear difference between the social democratic ethos of the Scottish Government and the Scottish Parliament and the ideological, right-wing, isolationist dogma from the Westminster Government, which is still in control of 87 per cent of welfare powers and 85 per cent of taxation. Again, though, we would not know that if we listened to the Conservatives or, more disgracefully, the Labour Party.

However, I want to concentrate my time on education. A huge amount of good work is already being done in education, with some outstanding results—another fact that we would not be aware of if we listened just to the harbingers of doom on either side of us in this chamber. Figures that came out recently show that spending per pupil is significantly higher in Scotland—9 per cent higher per pupil—than it is south of the border. We have expanded the education maintenance allowance in Scotland, whereas it has been scrapped south of the border. In addition, Scotland's students achieved 152,700 higher passes this year, which is an increase of more than 40,000 since 2006, and it is only the second time that the number of

passes has exceeded 150,000. There are many more achievements that we could mention here today.

I am going to do something that I do not normally do—give a good example of the great work that takes place in secondary school. The school is not in my constituency and what I will say will sound as if I am trying to crawl to the Deputy Presiding Officer, because it is about Duncanrig secondary school in her constituency. I was there on Monday night to see my grandson Mark get the proxime accessit medal, which is the runner-up dux medal—the silver dux medal. Two years ago, his sister Abigail got the dux medal. Obviously, I was absolutely delighted to be there again as a proud grandfather. However, outside the family connection, what was really impressive was the number of school achievements in athletics and sport in general, in music, in drama and, of course, on the academic side.

The headteacher said in his comments that the school's results have improved for three years in a row and that there is a steady growth in that regard, which is great. I mean no disrespect here, but there will be nothing particularly special about Duncanrig; it will be a good example of what is happening in secondary schools across the country, including those in my constituency.

Before I go on to speak about my role as convener of the Education and Skills Committee, it would be remiss of me in my duties if I did not bring up the fears that we have about Brexit, which have been touched on by other speakers. We have fears about the Erasmus programme, the impact that Brexit might have on research, possible staff shortages and the impact that Brexit might have on foreign students coming to study in Scotland. All those issues have arisen because of a Tory leadership challenge and because the Tories were so obsessed with their internal politics that they did not look after the country. I cringe when I hear the Conservative Party try to claim that we do not have our eye on the ball, because the Tories did not even realise that the ball was no longer on the pitch and were still running around like chickens without heads. Today, we are in the situation in which we face the threats that I described because they did not care enough about anything but their party's leadership challenge.

Neil Findlay: Will the member take an intervention?

James Dornan: No. I only have five minutes.

Members should not take my word for that; they should take the Institute for Public Policy Research's word for it. The IPPR says that the Conservative Party's decisions mean that there is going to be unnecessary harm to the UK's education systems, including ours.

In the one minute that I have left, I will talk briefly about the work that the Education and Skills Committee is doing. Last week, we had a couple of days in Stirling and went to the University of Stirling to hear about the widening access programme and visited a local skills provider. My colleague Gillian Martin and I had the privilege of meeting people who had been brought up in care and some kinship carers. We also met a group of primary school children who showed us an amazing tool called a kitbag, which is one of the many initiatives that help children improve their emotional literacy. I saw it at work and saw the impact that it had on those kids. Hearing about and seeing those experiences for myself gave me a very valuable perspective and a very keen sense of the responsibility that is placed on me and the rest of the committee when working across such a massive remit with so many important issues in it.

I could speak for much longer but I know that I will not be allowed to, so I will finish by again saying how pleased I am that education is going to be up front and centre in the Government's programme this year. I look forward to doing my part as convener of the Education and Skills Committee.

The Deputy Presiding Officer: We move to closing speeches. I call Iain Gray. You have eight minutes please, Mr Gray.

16:29

Iain Gray (East Lothian) (Lab): Thank you, Presiding Officer.

For a set-piece debate, this has been a curiously desultory affair really, especially among the Government's back benchers. Perhaps it is trepidation. Maybe they looked back to the first programme of the previous Government in 2011. The First Minister's predecessor announced his flagship bills, which were on minimum unit pricing, offensive behaviour at football, Police Scotland and the reform of colleges. Five years on, one is mired in the courts, one is ripe for repeal in the current session of Parliament, and policing and our colleges have been reformed on to their knees—but then, in fairness, that was a Government whose attention was distracted by an independence referendum. Thank goodness that was a once-in-a-lifetime thing.

Of course, there are, as always, things in this year's programme to welcome, such as the proposed domestic abuse bill and the long-promised removal of the time bar for survivors of sexual abuse. Let me take a moment, though, to point out that that will not help pre-1964 survivors and that they, too, have been promised some solution. The majority of survivors are still excluded from the historic abuse inquiry by its

remit, and the survivors' confidence in the inquiry hangs by a thread. The resignation of two members of the inquiry panel and their allegations of Government interference have not been addressed, nor will they be until a committee of this Parliament investigates them properly.

I welcome, too, the inclusion in the programme of a gender balance bill, a child poverty bill and a social security bill. The First Minister and many of her colleagues have rightly said that the social security bill is our opportunity to create a social security system that is based on dignity and respect, and we will support those efforts.

The social security bill in particular tells us that the programme for government is a different one in that, for the first time, it contains the plans of a Government with extensive powers over welfare and taxation. First Ministers used to use these occasions to bewail how their lack of fiscal powers hampered their programmes for government. Now, however, the First Minister looks at those fiscal levers, which empower her to refuse austerity, stop the cuts, protect the disabled and the vulnerable and invest new money in education, and she just looks the other way. All that she has to offer on that is a tax cut for airlines and airports, which will only reduce the capacity of that social security system, starve our services and damage our environment to boot. Kezia Dugdale was right. The more powerful this Parliament becomes, the more timid it seems the Government gets. It is like a motorist always demanding a more powerful model while doggedly driving along in second gear in the one that they have.

We can all join in, as we have done a number of times yesterday and today, in denouncing the Tories for hypocrisy on protecting the disabled or for their pious concern about poverty while their Government cuts the benefits of the poorest and most vulnerable, but unless the Scottish Government is prepared to use the powers of this Parliament to end austerity cuts and attack poverty rather than just denouncing it, its Tory-baiting is nothing but talk.

It is the same story in education. Last week, the First Minister visited Windygoul primary school, which is a great school in my constituency, but it has had to achieve its success without a penny of attainment challenge funding, and when it finally receives that funding, the Government will pay for it by raiding the budget of the very council that has invested in those pupils over the years. We will lose far more than our schools will gain.

The Minister for Local Government and Housing (Kevin Stewart): Not true.

The First Minister (Nicola Sturgeon): Not true.

Derek Mackay: Not true.

Iain Gray: It is true, and I will come to why it is true.

For nine years, this Government has used the blunt instrument of clawback to force councils to freeze their council tax. Now, it is going to use the same bludgeon to mug those councils for the revenue for the Government's attainment challenge fund. The Government will pretend that this is redistribution, but councils know of old that John Swinney is much more Dick Turpin than he is Robin Hood. This is stealing from the poor who need the services in my communities to give back to the poor in those self-same communities.

Let me be clear. We support the investment of an additional £100 million per year that will go directly to schools to address the attainment gap. We have argued for it for years. The Government is doing the right thing, but it should have the guts to raise that money itself by asking the richest to pay just a little more in income tax.

The First Minister: The Government is taking the decision to raise that money. Orders will be laid this week to make the changes to the council tax. It is extra revenue that will be raised from those who are at the highest level of property and redistributed to the schools that are most in need. I would have thought that Labour would have supported such redistribution.

Iain Gray: The money is being raised by local revenue that should be redistributed locally, which is exactly what my council has done to the school that you visited and which you will undermine by taking more money from it than you intend to give back. The Government must understand that it cannot will the end of better schools, colleges and universities if it does not have the courage to will the means. More than any new mechanism to distribute funding, our schools need sufficient funds to distribute in the first place.

I noted the lack of enthusiasm among Government back benchers yesterday and today but, of course, the peroration of the First Minister's statement roused them from their torpor. It was about another independence referendum. Just a consultation on a draft bill, mind. Just in case. The First Minister even got a laugh out of it, inadvertently, when she told us that she needed the consultation in case she reached the conclusion that independence is the best thing for Scotland. I think we know that the First Minister reached that conclusion a long time ago. Is her faith wavering? Is it fading in the face of the facts? Has it perhaps been rocked by rejection in a referendum only two years ago? I do not think so.

The First Minister: Will the member give way?

Iain Gray: No; I have done so once already.

Some might be fooled into believing that the First Minister pulled back from independence yesterday, but the true believers on her back benches and beyond know that it was a less-than-subtle nod and wink that that is still her Government's purpose. So, we have a Government that is unwilling to protect education budgets or the vulnerable, but which is unflinching in keeping the independence flame alive. Like moths to that flame, all the efforts, focus and resources of this Government will gravitate. The day job of education, social security, jobs and growth will always come second.

Kevin Stewart: Nonsense.

Iain Gray: That is what we have had for nine long years, and the programme for government is more of the same.

The Deputy Presiding Officer: I remind members of two things. First, we should not be yelling at one another from a seated position. Secondly, you should always speak through the chair and not directly to colleagues.

16:37

Murdo Fraser (Mid Scotland and Fife) (Con): I will start with a note of agreement with the First Minister. In her statement yesterday, she referred to the new political environment in which we now operate. This does not just mean that the SNP now faces a Conservative Opposition; it also reflects the fact that as from next April we will have in this Parliament one of the most powerful sub-state legislatures anywhere in the world, with sweeping new powers on taxation and welfare.

You would hardly think that, listening to the First Minister's statement yesterday. In truth, it was pretty thin gruel. It was reminiscent of something that could have been delivered by Henry McLeish or Jack McConnell. Where was the ambition? Where was the grand vision for Scotland? Where were the pledges to use the sweeping new powers to build a stronger economy, a more vibrant society, and to address pressing issues in our public sector? On the basis of what we heard yesterday, we have to look elsewhere for that vision.

We agree with the emphasis that the First Minister gave to the Scottish economy. In relation to the specific proposals that were announced, we welcome the coming bill on the reform of APD, and wait with interest its detail, although we have made it perfectly clear in the past that we are sceptical about the economic benefits of a 50 per cent reduction without a replacement tax, and concerned about the impact on the environment.

The First Minister made great play of an additional £100 million in capital projects in the

current financial year, presumably forgetting to mention that it is simply bringing forward the underspend from the last financial year to be spent on projects now.

The centrepiece of the Scottish Government's programme for the economy is the proposed new Scottish growth scheme, worth up to half a billion pounds. It is certainly an ambitious and interesting idea, that is central to the Government's economic strategy, and I see that it made the front page of a number of papers this morning.

We might expect that, before publishing such an ambitious scheme, the Government would have done all its homework, dotted all the i's and crossed all the t's. However, in the Finance Committee this morning, when I asked the finance secretary what discussions he had had with the Treasury prior to publishing his proposal, the answer was "none". That is staggering. What an amateurish approach from a Government—making key announcements without even checking first whether they can be delivered.

Derek Mackay: Will the member take an intervention?

Murdo Fraser: Yes, Mr Mackay can tell me all about his discussions with the Treasury.

Derek Mackay: Does the member not think that it was important to bring such a proposal to Parliament first, so that members could engage with this innovative proposal to stimulate our economy? What is more, we spent most of our time in the Finance Committee discussing the lack of awareness about what the chancellor would do in his autumn statement. I think that the Government is taking the right actions in this economic package. Does Murdo Fraser support the £500 million package—yes or no?

Murdo Fraser: If Mr Mackay wants to see what competent government looks like, all he has to do is swap places with us on these benches. We will show him what a Government that actually does its homework looks like.

I suspect that, as Jackie Baillie said yesterday, the policy is more about picking a fight with the Treasury than anything else.

As Ruth Davidson made clear yesterday, one measure that the First Minister could have taken to help the economy would have been to rule out a second referendum on independence. Kezia Dugdale and Willie Rennie also referred to that in their speeches yesterday—although, when Kezia Dugdale said that there was no support on her benches for a second referendum, I wonder whether she had cleared that statement with her deputy.

The First Minister cannot seem to make up her mind on the question of a second referendum,

because she has a different message for different audiences. In the immediate aftermath of the EU referendum result, she said that a second referendum was "highly likely" and, just on Friday, she addressed MPs and MSPs and sent off her party faithful to survey the Scottish population to hear what they think about the prospect of Scottish independence. However, yesterday in this chamber, she seemed to downplay the prospect of another referendum, promising only to consult on a draft bill, like the grand old Duchess of York marching her troops to the top of the hill and marching them back down again. Perhaps I can save the First Minister and her canvassers a little bit of time, because we know what the Scottish people think about independence, having asked that question two years ago. I hope that she was listening at the time.

The First Minister: Murdo Fraser will recall that, two years ago, his party told the people of Scotland that, if they voted no, their membership of the European Union would be protected. What is his position on that today?

Murdo Fraser: We were told that, if we voted yes, we could keep the pound as our currency, that we would be rich, that the oil price would be \$105 a barrel and that there would be a tremendous dividend as a result—

The First Minister *rose*—

Murdo Fraser: No, you can sit down, First Minister. A tissue of nonsense was told by the yes campaign during that referendum, so do not come here and try to rewrite history.

We now have a chorus of voices from the business community warning against a second referendum, including the director of the Confederation of British Industry Scotland, Sir Ian McMillan, and the former chief executive of Scottish Enterprise, Jack Perry. Of course, the Government will say that they are the usual suspects. Perhaps they will listen to the same warning from those who were part of the yes campaign in 2014, such as Dan McDonald, Jim McColl and Peter de Vink.

We do not even have to look at the business community. All that the First Minister has to do is look behind her at her colleague Alex Neil, for instance—I do not know whether he is in the chamber; I looked for him earlier. He made an interesting speech in this debate yesterday—perhaps he has seen the resurrection of Mr Russell's political career and his reinvigoration on the front bench and is hoping to get a slice of the action. In an important intervention recently, Mr Neil talked about the undesirability of a second independence referendum. Even on the First Minister's own back benches, we hear people

talking a great deal of sense on this particular issue.

A second independence referendum is the last thing that Scotland or the Scottish economy needs. The business community is virtually unanimous on this. We asked people the question two years ago and they gave us a clear answer. This is no time for a re-run.

In her peroration yesterday, the First Minister cast the political debate as being between

“a social democratic Government in the main stream of Scottish public opinion”

and a Conservative Opposition. [*Interruption.*]

The Deputy Presiding Officer: I ask the First Minister to desist from shouting from her seat.

Murdo Fraser: I am glad to see that I have agitated the First Minister.

The First Minister said that the debate

“means a real battle of ideas”.—[*Official Report*, 6 September 2016; c 20.]

She is absolutely right on that point, but the choices that we face are not the ones that she set out. She talks about her Government supporting economic growth, when every indicator has us falling behind the UK as a whole. As we heard this afternoon from Peter Chapman and Mike Rumbles, her Government has presided over the shambles of a farm payments system that is causing chaos in the rural economy.

The First Minister talks about improving public services, but people’s experience is the opposite. She talks about empowering local communities, when her Government has centralised power in Edinburgh—it has created a single national police force, emasculated local government and forced the closure of local services such as police control rooms and courts. As Adam Tomkins reminded us yesterday, the Government is keen on power being devolved from Westminster to Edinburgh but reluctant to pass power out from Edinburgh to any other part of Scotland.

The Government is far from being in the main stream of Scottish public opinion—the 2014 referendum result shows how divorced from reality that claim is. The bitterness and division that were caused in our country by that whole episode can hardly be classed as showing the solidarity that the First Minister claims for her Government and its programme.

Borrowing a phrase that John Major used in 1991, the First Minister said that her Government would create opportunity for all. However, real opportunity lies in growing the economy by supporting business, in promoting flexibility and local decision making in education, in keeping taxes on hard-working families competitive, in

properly funding our further education colleges and in a renewed commitment to addressing fuel poverty. That is what the Opposition stands for.

On the key question of Scotland’s future, it is this Opposition, not that Government, that is in the main stream of public opinion. It is this Opposition that says no to a destructive and damaging rerun of the 2014 referendum. It is this Opposition, not that Government, that truly believes in the best Conservative tradition of opportunity for all.

We very much welcome the battle of ideas. I have every confidence that our ideas and our vision will increasingly win the Scottish people’s confidence.

16:47

The Deputy First Minister and Cabinet Secretary for Education and Skills (John Swinney): It is a pleasure to close the debate. I begin by addressing Iain Gray’s remarks about the child abuse inquiry, which falls within my ministerial responsibilities.

Significant issues have arisen over the summer, so I want to make it absolutely clear at the outset of the parliamentary term that I have looked carefully at the role of Scottish Government officials in relation to the inquiry’s operation. I am entirely satisfied that Scottish Government officials have exercised their responsibilities in a way that is entirely consistent with our role under the Inquiries Act 2005 and the Public Finance and Accountability (Scotland) Act 2000. I am happy to be scrutinised on that point; Mr Gray will understand that I have looked at the issue carefully.

I set out clearly to Parliament my determination that the child abuse inquiry should be able to fulfil its responsibilities utterly and entirely independently of the Government. That is why I appointed Lady Smith to chair the inquiry. She is a member of the inner house of the Court of Session of some 15 years’ standing and she has a reputation for strong and distinctive exercise of her judicial independence. I hope that my appointment of Lady Smith is viewed across Parliament as an indication of my determination to ensure that the inquiry can undertake its functions entirely independently.

Survivors have raised with me outstanding issues that I am considering. I will come back to Parliament when I have something further to say on those questions.

Iain Gray: I believe in all sincerity that Mr Swinney has satisfied himself of the independence of the inquiry. However, it is of course the confidence of the survivors that we need to regain. That is the important thing here. I say to Mr

Swinney again, as I have said to him before privately, that to extend the remit of the inquiry as survivors have asked would go such a long way towards re-establishing the confidence that we need to see.

John Swinney: That is of course an issue that I am still considering. As Mr Gray will understand, there are very significant issues that weigh on both sides of the argument about the extent of the remit of the inquiry. However, it is an issue to which I am giving very significant and serious consideration. I discussed it with survivors' groups last week and I will continue my consideration of those points.

This debate is an opportunity for the Government to set out its proposals for the duration of this forthcoming parliamentary year and to map out the direction of our policy thinking. Of course, the First Minister made it crystal clear in the statement yesterday that at the heart of this programme for Government is the determination to focus on strengthening the Scottish economy and on ensuring that we deliver excellence and equity within Scottish education. Ministers are all seized of those responsibilities and obligations as we take forward our agenda.

There are many challenges and one of the challenges that has percolated through the debate has been the challenge of tackling the issues of poverty and lack of opportunity in our society. That challenge is very relevant to the Government as we embark upon the consultation around the drafting of the social security bill and the design of a social security system within Scotland.

I thought that Clare Adamson, in her speech yesterday, very powerfully set out the issues that we have to confront about the existence of poverty within our society, the roots of that poverty being driven by the deindustrialisation of Scotland and the social disruption from the recklessness of policy in the 1980s.

However, it is our determination to make sure that the values that Clare Adamson reflected in her speech around creating a fair and respectful social security system are at the heart of the decisions that we take.

One of the other key points in yesterday's debate was made by Kezia Dugdale in response to Ruth Davidson's speech. Ruth Davidson called on us to introduce proposals for the creation of genuine opportunities for disabled people without a hint of irony, despite the damage and disruption to the interests and wellbeing of disabled people from the welfare actions of the Conservative Government that we have to try to respond to through our actions.

In addition to those responsibilities, the Government must steward its wider responsibilities in relation to public services. There

has been quite a bit of commentary in the debate about the performance of the health service. It is interesting to note that in the Scottish social attitudes survey, there has been a 22 per cent increase in public satisfaction in the national health service in the past 10 years, since 2006; 90 per cent of Scottish in-patients say that overall care and treatment was good or excellent; and 87 per cent of patients rated the overall care provided by their general practitioner surgery as good or excellent.

Those are indications of the strength of the contribution that is made by hardworking members of staff the length and breadth of the country. That strength is also evidenced by the performance of the accident and emergency system in Scotland, which in June 2016 was the best-performing in the United Kingdom, at 95 per cent, compared with 85.8 per cent south of the border and weaker figures in Wales and Northern Ireland.

Willie Rennie (North East Fife) (LD): Does the Deputy First Minister really think that those figures completely wipe away all the problems that we are having not only with GP waits and shortages but with the length of time that young people are having to wait for mental health treatment? Does he really think that those satisfaction figures deal with those problems?

John Swinney: Those figures are data that I am putting into the debate to perhaps temper some of the miserabilism that we have heard from the opposition about public service performance.

Mr Rennie is correct to raise the issue about mental health waits. We have seen a 30 per cent increase in demand for mental health services within Scotland and the Government is putting in more resources to address that issue. In relation to GP activities, the Government is putting in resources to ensure that we can expand GP training and we are committed to expanding that service. I use that data simply to put in context some of what has been said today about the performance of the health service.

In the debate that we hear about Police Scotland, there is very little comment on the fact that, despite the organisational changes that have taken place, it is still presiding over a 41-year low in crime in Scotland. That should reassure members of the public that our police services are working effectively, and that the communities in which we live are safer than they were and have been safer for some considerable time.

Douglas Ross: The Deputy First Minister mentioned that the crime figures are very low. However, what about public confidence in the single police force? In a recent survey from April to June this year, 40 per cent of people said that their confidence in Police Scotland was low or very low.

Is that figure acceptable to the Scottish Government?

John Swinney: It is essential that Police Scotland continues to command public confidence in our country. However, I ask Mr Ross to reflect on the fact that we live in a country that is experiencing a 41-year low in crime. That should reassure members of the public about the effectiveness of our police forces, and also about the cohesion of our communities, which is central to the work of Police Scotland and the activities that it undertakes.

The First Minister concentrated on two principal themes: the economy and education. During the debate, there was some criticism of the Government for putting £100 million of additional capital investment into the economy. It is beyond me to work out how people can criticise that, but Murdo Fraser has just done so in criticising us for using underspend from last year.

Is there something wrong with that? Is there something wrong with deploying that investment today, when we need it in the face of the wanton vandalism of the Conservative party in the Brexit vote? We are the ones who are left picking up the pieces of the shambles that the Conservatives have inflicted, and they moan about the fact that we are investing £100 million of extra money in the economy.

Murdo Fraser's line of argument was that the finance secretary had not gone to the Treasury to seek prior authorisation for our growth scheme. That rather suggests that Mr Fraser is preparing the ground for the United Kingdom Government to behave in an unreasonable fashion and not to accept the finance secretary's legitimate and reasonable proposals. Let us look forward to seeing Mr Fraser go down to his colleagues in the UK Treasury, and get them to do the decent thing by enabling this Government to support Scottish business as we always have done.

Maurice Golden made a thoughtful contribution on the circular economy. I encourage him to continue with his line of argument so that we ensure that we expand the wider economic opportunities that are available in Scotland.

Mike Rumbles: Will the cabinet secretary take an intervention?

John Swinney: Not at this moment.

A great deal has been said about education in the debate. Over the summer, I have made good on the proposals that I set out in the delivery plan to tackle bureaucracy in order to reduce teachers' workload. That is for a purpose: to enable teachers to concentrate on their key task, which is to raise attainment in Scottish education. That will be the centrepiece of what the Government takes

forward to ensure that we can deliver for every single young person in Scotland the best opportunities to which they aspire.

Clare Haughey spoke about the practical effect of those measures, and Jenny Gilruth highlighted the importance of establishing school, job and college links. Those elements are fundamental to the process. One of the highlights of results day in Scottish education was the fact that there was a 23 per cent increase in the vocational qualifications achieved in Scotland's schools. That demonstrates that our agenda for developing Scotland's young workforce is working for the young people of Scotland and is delivering good outcomes and results for them.

We have set out a programme for government that addresses the needs of the people of Scotland. It sets a bold agenda for how we can transform the life chances of young people, strengthen the economy and use the new powers that we have at our disposal to the maximum benefit of the people of Scotland.

This Government is determined to improve the life chances of every individual in Scotland. We challenge the Opposition parties to work with us to fulfil that objective, but nobody should doubt the ambition and determination of this Government to make Scotland a successful country. This programme will enable us to do exactly that.

Scottish Parliamentary Corporate Body Motion

16:59

The Presiding Officer (Ken Macintosh): The next item of business is consideration of motion S5M-01203, in the name of Andy Wightman, on behalf of the Scottish Parliamentary Corporate Body, to appoint members of the Scottish Commission for Public Audit.

Motion moved,

That the Parliament agrees to the Scottish Parliamentary Corporate Body's proposal to appoint Colin Beattie, Alison Johnstone, John Lamont and Rona Mackay to be members of the Scottish Commission for Public Audit.—[*Andy Wightman*]

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

Business Motion

17:00

The Presiding Officer (Ken Macintosh): The next item of business is consideration of business motion S5M-01319, in the name of Joe FitzPatrick.

Motion moved,

That the Parliament agrees the following programme of business—

Tuesday 13 September 2016

2.00 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Topical Questions (if selected)

followed by Ministerial Statement: Update on Common Agricultural Payments

followed by Scottish Government Debate: More Investment for More Housing

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Wednesday 14 September 2016

2.00 pm Parliamentary Bureau Motions

2.00 pm Portfolio Questions
Environment, Climate Change and Land Reform;
Rural Economy and Connectivity

followed by Scottish Government Debate: Implications of the EU Referendum Result and UK Negotiating Position

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 15 September 2016

11.40 am Parliamentary Bureau Motions

11.40 am General Questions

12.00 pm First Minister's Questions

12.45 pm Members' Business

2.30 pm Parliamentary Bureau Motions

2.30 pm Scottish Government Debate: Domestic Abuse Law

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

Tuesday 20 September 2016

2.00 pm Time for Reflection

followed by Parliamentary Bureau Motions

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

Wednesday 21 September 2016

2.00 pm Parliamentary Bureau Motions
 2.00 pm Portfolio Questions
 Justice;
 Culture, Tourism and External Affairs

followed by Scottish Government Business

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 22 September 2016

11.40 am Parliamentary Bureau Motions

11.40 am General Questions

12.00 pm First Minister's Questions

12.45 pm Members' Business

2.30 pm Parliamentary Bureau Motions

2.30 pm Scottish Government Business

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time—[*Joe FitzPatrick.*]

Motion agreed to.

Parliamentary Bureau Motion

17:00

The Presiding Officer (Ken Macintosh): The next item of business is consideration of Parliamentary Bureau motion S5M-01323.

Motion moved,

That the Parliament agrees the following nominated committee substitutes, as permitted under Rule 6.3A—

Scottish National Party

Delegated Powers and Law Reform Committee: George Adam

Economy, Jobs and Fair Work Committee: Alex Neil

Health and Sport Committee: Bob Doris

Justice Committee: Christina McKelvie

Environment, Climate Change and Land Reform Committee: Joan McAlpine

Education and Skills Committee: Clare Adamson

Finance Committee: Gordon MacDonald

Local Government and Communities Committee: David Torrance

Rural Affairs, Climate Change and Environment Committee: Christine Grahame

European and External Relations Committee: Kate Forbes

Public Audit Committee: Kenneth Gibson

Public Petitions Committee: Graeme Dey

Standards, Procedures and Public Appointments Committee: Gil Paterson

Equal Opportunities Committee: Linda Fabiani

Social Security Committee: Jenny Gilruth—[*Joe FitzPatrick.*]

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

Decision Time

17:00

The Presiding Officer (Ken Macintosh): There are two questions to be put. The first question is, that motion S5M-01203, in the name of Andy Wightman, on the appointment of members of the Scottish Commission for Public Audit, be agreed to.

Motion agreed to,

That the Parliament agrees to the Scottish Parliamentary Corporate Body's proposal to appoint Colin Beattie, Alison Johnstone, John Lamont and Rona Mackay to be members of the Scottish Commission for Public Audit.

The Presiding Officer: The second question is, that motion S5M-01323, in the name of Joe FitzPatrick, on substitution on committees, be agreed to.

Motion agreed to,

That the Parliament agrees the following nominated committee substitutes, as permitted under Rule 6.3A—

Scottish National Party

Delegated Powers and Law Reform Committee: George Adam

Economy, Jobs and Fair Work Committee: Alex Neil

Health and Sport Committee: Bob Doris

Justice Committee: Christina McKelvie

Environment, Climate Change and Land Reform Committee: Joan McAlpine

Education and Skills Committee: Clare Adamson

Finance Committee: Gordon MacDonald

Local Government and Communities Committee: David Torrance

Rural Affairs, Climate Change and Environment Committee: Christine Grahame

European and External Relations Committee: Kate Forbes

Public Audit Committee: Kenneth Gibson

Public Petitions Committee: Graeme Dey

Standards, Procedures and Public Appointments Committee: Gil Paterson

Equal Opportunities Committee: Linda Fabiani

Social Security Committee: Jenny Gilruth

The Presiding Officer: We now move to members' business. I ask members to be courteous to those who are involved in the next proceedings.

Cleft Lip and Palate Surgery (Centralisation)

The Deputy Presiding Officer (Linda Fabiani): The final item of business today is a members' business debate on motion S5M-00565, in the name of Miles Briggs, on opposition to centralisation of cleft lip and palate surgery. The debate will be concluded without any question being put.

Motion debated,

That the Parliament expresses its concern at the decision by NHS board chief executives on 21 June 2016 to approve the recommendation of the National Specialist Services Committee to centralise cleft lip and palate surgery in Glasgow; is aware that cleft lip and palate surgical services are currently provided at both the Royal Hospital for Sick Children, Edinburgh and the Royal Hospital for Children, Glasgow; considers that the Edinburgh team delivers a world class service with high quality care and is aware that the audited outcomes for children following surgery in Edinburgh are extremely high; notes that the Edinburgh unit currently provides care for children living all across eastern Scotland; is aware of concerns among parents and clinicians about the consultation process for this proposed centralisation and that more than 5,700 people have signed an online petition opposing the plans; is further aware that the Cleft Lip and Palate Association (CLAPA) has spoken out about the lack of evidence to show that the existing two-site model is not working; is further aware that the Edinburgh unit is due to host the International Congress on Cleft Lip/Palate and Related Craniofacial Anomalies in 2021, and notes calls, given the level of concern among patients, parents and clinicians, for the Cabinet Secretary for Health and Sport to intervene and pause the centralisation plans to allow further consideration and to ensure that the specialist expertise, knowledge and care that has been built up in Edinburgh is not lost.

17:03

Miles Briggs (Lothian) (Con): I thank colleagues from my party and from all the other Opposition parties in Parliament for supporting my motion and allowing this evening's debate to take place. I welcome constituents and others to the public gallery this evening, including some of east Scotland's cleft patients and parents. I especially welcome Evonne McLatchie, who has done such a fantastic job in campaigning on the issue and spearheading the online petition, which has now attracted the support of more than 6,000 people across Scotland and which I was pleased to accept this afternoon on behalf of the Parliament.

During the Scottish Parliament election campaign, I met a number of Lothian parents who expressed real concerns at the way in which the consultation on centralising cleft palate surgery in Scotland was being handled. I made a promise that I would support them and take up their cause if elected to Parliament. I have found it heartening and incredibly positive to hear their personal family

stories, repeated again and again by parent after parent. They are stories of the excellent treatment and best-quality surgery that their babies and children have received from the Edinburgh sick kids surgery team and of the life-changing and life-defining difference that it has made to so many babies and children across Scotland.

It is not an overstatement to say that the cleft lip and palate surgery that is carried out in Edinburgh by surgeon Felicity Mehendale is world leading, and that the outcomes are some of the very best that any child or parent could ask for. However, those outcomes are down to not just Ms Mehendale but the first-class team that surrounds her: theatre staff, post and pre-op staff and highly skilled cleft nurses, all working closely together.

The audited outcomes for the Edinburgh surgical unit explain why parents are right to have such faith in it. Official information on United Kingdom standards for speech outcomes following surgery to repair cleft palates shows that the results for children treated in Edinburgh are consistently very high, with the vast majority of children having speech within normal range five years after surgery, which means that Edinburgh is beating national targets and is among the top-performing units in the UK.

I am sorry to say that that information was not part of the options appraisal in the official consultation process and was made available only as a result of a freedom of information request, which is a real concern to parents and campaigners. The information should have been made available. The fact that it was not feeds into genuine worries about other aspects of what seems to have been a flawed consultation process that has failed to justify the suggestion that the east of Scotland service is in any way unsustainable and has left clinicians and staff in Edinburgh feeling that their views have been totally ignored. I am sorry to say that there are recurrent instances of a lack of transparency, openness and accountability surrounding the consultation.

We need to recognise that the Edinburgh team does not just enjoy the support of parents and other clinicians across Scotland and the UK, but has an international reputation for its care, research and expertise. Indeed, such is its standing that the Edinburgh unit is due to host the prestigious international congress on cleft lip/palate and related craniofacial anomalies in 2021. Eighteen hundred professionals from more than 70 countries are set to attend the 2017 conference in India and similar numbers will be expected for the Edinburgh conference. How embarrassing will it be for Scotland if Ms Mehendale feels forced to leave the national

health service and neither she nor a cleft surgical unit is based in the host city of Edinburgh?

I am concerned about the unintended consequences of closing the Edinburgh surgery unit. At present, St John's hospital in Livingstone is home to the adult cleft palate care service, which is supported by Ms Mehendale and her team. The impact that the closure of the Edinburgh unit will have on adult services and patients who receive their treatment there has never been outlined. In fact, from my investigations I can only draw the conclusion that that has not been considered or, worse still, has been overlooked.

Many parents have expressed concerns to me about the additional stress and pressures that would be placed on them and their children because of the extra time, travel costs and time off work that would be required to travel to Glasgow. The Scottish Government talks about accessibility in the NHS, but the centralisation plans would make access more difficult for many families in eastern Scotland. It is perhaps also worth noting that it is not long since the Aberdeen service was closed, following which patients and parents have received support through the Edinburgh service.

Taking all those points together—widespread parental and community support for the Edinburgh surgical unit, outstanding audited outcomes, an international reputation, concerns about the consultation process and worries about the accessibility of a single service based in Glasgow—it is hardly any wonder that the Cleft Lip and Palate Association and many others are struggling to understand the rationale behind the proposed centralisation in Glasgow and believe that the case for changing the current two-site model simply has not been made.

I want to be clear that this is not, and must not become, an Edinburgh versus Glasgow issue. Rather, it is about supporting a two-site model that works, is sustainable and can be made even more effective through the collaborative working of surgeons across both sites. The twin-centre model works successfully elsewhere in the UK in many locations and is about maintaining and preserving an international centre of excellence that has built up and delivered such important specialist expertise, knowledge and care.

Sometimes Governments make bad decisions. I have no doubt at all that the closure of the cleft lip and palate surgery unit at Edinburgh's Royal hospital for sick children and the potential loss to our NHS of an internationally recognised specialist surgeon would be a backwards step. I hope that by bringing this debate to Parliament I have given Scottish ministers a chance to pause and reflect, and to prevent that from happening.

I end by urging the Scottish Government to listen to the very clear views of parents and clinicians and ask that it does not approve the centralisation plans but rather supports the retention of what is a successful and valuable two-site model. That would be in the best interests of parents, clinicians and, crucially, babies and children born in Scotland who need that specialist surgery and care. [*Applause.*]

The Deputy Presiding Officer: I say to the people in the public gallery that you are very welcome. I understand your strength of feeling and that you are here to support the motion, but I must ask you to refrain from clapping from now on. Perhaps at the end of the debate we can allow you to express your support for members' speeches. Thank you.

17:10

Angus MacDonald (Falkirk East) (SNP): I appreciate the opportunity to take part in this debate on the centralisation of cleft lip and palate surgery, and I thank Miles Briggs for bringing this important issue to the Parliament. I have an interest in the matter, because I have constituents who will be directly affected by the proposal to move the service.

The minister will be aware that the current provision of specialist cleft surgical services at the Royal hospital for sick children in Edinburgh is exemplary. The recent consultation and report, which found that the best decision would be to centralise services in NHS Greater Glasgow and Clyde, does not take fully into consideration the impact that the change would have on families who rely on the service in the east of Scotland.

We must also take into consideration that the service that is provided in Edinburgh is led by a pioneering and world-class surgeon, whose record of excellence speaks for itself. In Edinburgh, a multidisciplinary team works side by side with patients and the surgeon to ensure that everything runs smoothly and progress is made after every surgical event. Patients know that they can rely on the hospital to get the job done. Those are all valid reasons why the Government should consider ensuring that support services are retained in Edinburgh.

I can say with confidence that my constituents who will be directly affected by a move are dismayed that the service will not be provided as close to them as they need it to be. I have a great deal of sympathy for them in opposing the service's move to Greater Glasgow and Clyde, and I ask that centralisation plans be paused, to allow for further consideration and to ensure that the specialist expertise, knowledge and care that have been built up in Edinburgh are not lost.

I understand that change can be a good thing and that there are financial pressures on NHS boards throughout the country. It is my opinion that, in this instance, having a surgical team in a single area bodes well for the provision of services in the long term. However, the removal of services from Edinburgh presents a geographical deficit and the real possibility that world-class surgeons will not be able to relocate.

I have been in touch with my constituent for some time about her concerns over the proposal, and I have raised the issue with the cabinet secretary on more than one occasion. It is understandable that my constituent is worried about the impact that the move will have on her family in the short term. Patients who must move from one area to another sometimes feel as if they have to start again. The moving of clinical notes from one health board area to another might give staff in the new area insight into the patient and their history, but that does not mean that staff really know the patient. All the relationships that have been built up, sometimes over many years, potentially have to be rebuilt from the ground up.

If I put myself in the position of a young child who is facing surgery to enable them to have a better quality of life, I can see that surgery must be a very daunting prospect. The upheaval of having to be treated in an unfamiliar hospital must be an added and perhaps unnecessary stress.

I have been contacted by retired consultant plastic surgeon John Howard Stevenson. He was adviser to the chief medical officer on cleft surgical services, and was clinical director of specialist services in NHS Tayside, which included the disciplines in reconstructive plastic surgery and dentistry that are crucial to successful outcomes in cleft lip and palate reconstruction. During his period in office, services were centralised in Edinburgh and Miss Felicity Mehendale was appointed consultant with responsibility for those patients.

Mr Stevenson wrote to me to say that the clinical evidence supports the retention of services in Edinburgh and that the service that that world-class surgeon has built up in Edinburgh is not only one of the best in the United Kingdom but recognised as being of an international standard. He wrote, of Miss Mehendale:

"Since her appointment, she has developed a service for patients with cleft lip and palate in Edinburgh serving the East of Scotland which has delivered the highest quality of service as evidenced by the internationally agreed outcome standards within this discipline.

These results ... clearly demonstrate consistently higher results than anywhere else in Scotland and on a par with the best internationally; to achieve these, it is essential to build up a close team involving specialties such as speech therapy, and Felicity has been very successful in building

up and maintaining such a team; further, patients and their families have the highest regard for her and her team.

To relocate cleft services from Edinburgh, centralising in Glasgow, will undermine an outstanding service, and goes against the overwhelming clinical evidence—which, surely, must always be the defining factor in deciding where a service should be located—which unequivocally confirms Edinburgh as the base from which patients undergoing cleft lip and palate repair in Scotland can expect the best outcomes.”

Presiding Officer, I realise that I am out of time, although I had more to say.

The Deputy Presiding Officer: Yes, but I think that we have heard enough, interesting though it is, Mr MacDonald.

Angus MacDonald: I urge the cabinet secretary to seriously consider the option of retaining this world-class service in Edinburgh.

17:15

Neil Findlay (Lothian) (Lab): I thank Miles Briggs for securing this important members’ business debate. The proposal to end the surgical service at the sick kids hospital in Edinburgh and to centralise the cleft lip and palate service in Glasgow is set against a backdrop of huge financial pressures on our NHS. Boards across Scotland are having to find huge amounts of money and are finding black holes in their budgets. NHS Lothian this year has a deficit of £84 million, which means beds closed, posts cut and legally set targets missed. I believe that the centralisation of services in that way is directly linked to budget decisions, although they will be dressed up and presented as service improvements and redesign.

There will be much more to come. We have just fended off the plans to centralise children’s services, and now we are on to the next stage of the process. I come to that conclusion because there seems to be no other credible explanation for the move that we are debating today. In fact, the decision has provoked complete bemusement among many stakeholders, patient groups and doctors. People are, to be frank, at a loss to understand why the decision has been made, and some serious questions hang over it. The outcomes in Edinburgh appear to be better. If the whole issue in healthcare at the moment is outcomes, why is a service with excellent outcomes being closed down and centralised? Perhaps the minister can confirm whether the better outcomes in Edinburgh were taken into account when the decision was made.

What about the excellent continuity of care that is to be found in other NHS regions including Tayside, Grampian and Highland? Relationships that have been built up over the past 10 years will be compromised. Why is a service that has

developed those excellent relationships across the east of the country not being nurtured and protected?

The Minister for Public Health and Sport (Aileen Campbell): Let me make it clear that the decision is about surgery. Locally provided support—whether that is orthodontics or dentistry—will continue to be provided locally.

Neil Findlay: I may come back to that. What evidence base is being used to justify ending the twin-site surgery centres when we see twin sites working well in other parts of the UK? Has that approach not worked in Scotland? If it has not, can the minister share the evidence that tells us that the approach has not worked? That is one of the many concerns that have been highlighted.

Given the evidence and the justified criticisms by parents and campaigners, there appears to be only one explanation for the decision. Once again, it boils down to cuts to public services and our NHS that are dressed up and camouflaged as service redesign and improvement. The Scottish Government makes its own choices, and many of those are bad choices that are not serving the people of Scotland well. The decision is simply the latest in a long line of centralising decisions that have ridden roughshod over the wishes of patients, staff and campaigners.

It is about time that the Government started to use the powers of the Scottish Parliament to ensure that adequate funding is provided to our NHS and other public services. We can do it, but we need the political will. After all, these are services that the public need and services that, I believe, civilise us as a society. There is no doubt in my mind that the cleft lip and palate service in Edinburgh is providing a vital service that we should value and protect. The cabinet secretary should intervene, reconsider and then reverse the decision.

A decade ago, the SNP cynically exploited the NHS for electoral gain. Whatever happened to the mantra, “Keep healthcare local”? For the minister, the cabinet secretary and the Government, the sky is dark with chickens coming home to roost. The chief medical officer for Scotland talks about the concept of realistic medicine—that is the reality of the NHS in Scotland in 2016.

17:20

Alison Johnstone (Lothian) (Green): I congratulate Miles Briggs on securing a debate on young children who need cleft surgery—an important issue for them and their families—both in Lothian and around the country.

I thank the Royal College of Surgeons for its views and guidance. I understand that it supports

the principle of centralisation where there are clear clinical benefits for it: centralisation can help staff to specialise further and it can support high clinical standards. However, in the short time that I have today, I want to voice the principal concerns that have been raised with me by constituents and professionals about the decision to centralise all cleft surgery. The concerns are about how the review of surgery arrangements has been conducted, about the quality of the consultation and about the impact on cleft care in Lothian and around Scotland.

I have some doubts that the premise on which the review of services has been conducted is reasonable. It was launched because the current model of delivering a single service over two sites has not, it is claimed, resulted in a properly integrated service. However, instead of considering why that has not happened and what can be done to improve integration, the cleft management board proceeded straight to considering new options. Indeed, some members of the panel that appraised the options in October last year queried whether it was worth evaluating the status quo at all, so I am concerned that it was not given a fair hearing.

The lack of detail on why the current arrangement is not working was criticised during the options appraisal in a large number of submissions by parents. Clinicians, parents and the Cleft Lip and Palate Association—the charity that represents patients with clefts and their families—have repeatedly asked for information about what aspects of the current arrangements were not working, but feel that a full answer has never been provided. They have publicly stated that they have not been provided with sufficient information to make an informed evidence-based decision on whether to support the proposals.

According to surgeon Jon Clarke, twin-site cleft services operate well across the UK—for example, in Liverpool and Manchester. Consideration of why integration has been more successful elsewhere than it has in Glasgow and Edinburgh does not appear to have been a significant part of the appraisal. Until we are certain exactly where problems in delivering the existing service lie, and what further support could improve the situation, can we be sure that moving to a single-site service is the most appropriate solution? I suggest that we cannot.

The appraisal document makes reference to the significant differences in the outcomes between the Glasgow and Edinburgh surgery sites, but were those differences fully taken into account? That concern has been raised by a number of surgeons who were formerly involved in cleft care. Edinburgh's track record in terms of the percentage of children having normal speech after

primary surgery far exceeds that of Glasgow. According to Jon Hammond, who is a retired consultant orthodontist, the number of children who were treated in Glasgow who fail to achieve the normal-speech benchmark is 60 children in every 100 who undergo palatal repair surgery, which is a failure rate almost double that in the east. While I am by no means suggesting that that is outwith the normal range of success for cleft surgery, there are nonetheless clear differences on a number of measures of success, and we should seek to understand why.

It is worth noting that representatives of families scored the current arrangement more highly than they scored either centralisation option during the options appraisal, but it is not clear how that figured in the final decision.

In the light of the national specialist service committee's observation that there were shortcomings in the consultation process, I urge the minister to look again at the proposals, with particular reference to the excellent surgical outcomes that have been achieved in Edinburgh and the strong views of patients and staff. Given the concerns of patients and staff that are cited in the consultation report, and the concerns about the overall consultation process that have been expressed by the national specialist service committee, it is absolutely unclear that a single-site service based in Glasgow will lead to better clinical outcomes for current patients. Also, given that twin-site cleft services operate very well elsewhere, further steps must be taken to look at supporting the current service in Edinburgh in order to assure continuity of care for patients and families in Lothian and the east of Scotland.

17:25

Donald Cameron (Highlands and Islands) (Con): I am delighted to support the motion lodged by my colleague Miles Briggs on this important issue. I, too, echo some of the remarks on the issue that have been raised by colleagues across the chamber, who made very compelling arguments in favour of the retention of the services.

It is a very emotive subject, as can be seen from the many thousands of submissions made by concerned parents and campaigners, some of whom are sitting behind me in the public gallery. One of my first meetings as an MSP following the May election was with such campaigners. Indeed, my first correspondence with the Cabinet Secretary for Health and Sport was about this very service. I completely empathise with the campaigners' position.

I want to use this opportunity to defend the cleft service in Edinburgh. I have a personal

perspective to offer, too: a niece and nephew of mine were born with cleft palates, and they have both been through the Edinburgh service with great success.

The cleft care Scotland network noted that the centre in Edinburgh performs nearly half of Scotland's cleft surgical procedures each year, and more than half of those are for patients who reside in the Lothians region. In that sense, it is easy to see this simply as a local issue. However, it is important to realise that the reach of the service goes far beyond the city, the Lothians region and the central belt.

I represent the Highlands and Islands. According to the NHS's consultation document on the proposed change, between 5 and 10 per cent of the total number of Scottish patients come from my region. As a result, I have been contacted by patients and families who come from my region—a long way from Edinburgh—but who have used the city centre because it is a world-renowned service and possesses one of the world's leading cleft surgeons, Dr Felicity Mehendale.

We should listen to some of the medical experts. Isabel McCallum, the former clinical director of the Edinburgh Royal hospital for sick children, has questioned the clarity of the proposals, saying that it is "not at all clear" how patients would benefit from a centralised service and how the clinical service would be enhanced.

Maureen Harrison, the former chief executive officer of the Sick Kids Friends Foundation, also stated that she did not believe that

"centralisation ... would be the best way forward for the children in the east of Scotland".

It is clear from the 6,000-plus supporters who have signed a petition that was set up to oppose the centralisation of the service that many of them have not just benefited from the existence of two cleft centres in Scotland, but believe in the retention of the two centres. It is also clear that there is support across this chamber for both centres to remain. I was very grateful to hear Angus MacDonald's contribution, because it is disappointing that no Scottish National Party members—not even Lothians SNP MSPs—signed Miles Briggs's motion.

The evidence that I have seen and heard from campaigners shows the process to be rushed and lacking any consideration for the voices of the people who have benefited from the cleft surgery service in Edinburgh. Former health professionals have questioned the proposals and thousands of people have added their voices to the debate. There is a clear and compelling argument to retain this important service, and accordingly I support the motion today.

17:28

The Minister for Public Health and Sport (Aileen Campbell): Everyone here shares the same desire: we want to ensure that cleft surgery is safe and consistently able to deliver good patient outcomes.

Miles Briggs was right to point out that the work that our professionals do creates a life-defining difference in children's and families' lives.

I am well aware of the strength of feeling from those who oppose the recommendation to consolidate cleft surgery in Glasgow. I recognise they believe that they are raising real concerns about the proposal. I therefore welcome tonight's debate, and the constructive contributions from Angus MacDonald, Alison Johnstone and Donald Cameron. I particularly want to thank Donald Cameron for his personal reflections on the debate.

Tonight's debate presents an opportunity to help inform our shared understanding of the issues involved and to clear up some of the issues that others have raised. I also want to place on record my thanks to Evonne McLatchie, whom I met earlier and who shares with passion and dedication our ambition for improvements. I thank her for her time and for articulating her concerns and the concerns of the others who I know are in the chamber this evening.

The national clinical strategy is our blueprint for health and social care over the next 15 years, and it is one of the key drivers that will help us deliver transformational change across our NHS. The strategy makes it clear that if we are to provide the best outcomes for patients, services need to be planned on a population-based once-for-Scotland basis. As a result, we must look to increase collaborative working across NHSScotland to deliver services that will benefit all patients, no matter where they live.

With the delivery of an NHS that is fit for the future, patients should rightly expect our health services to be safe and sustainable. "Sustainable" means that services must be consistently able to deliver high-quality treatment and care. The recommendation to consolidate cleft surgery—it is important to remind ourselves that this is only a recommendation—has been made with the national clinical strategy's ethos in mind. Patients should expect no less. I should also say, in response to Neil Findlay, that this has nothing to do with costs; it is all about ensuring high standards of services, and the proposals that have been brought forward are cost neutral.

Experience tells us that patients and families want the best treatment available and are willing to travel to access the excellent care that our highly specialist services provide. However, in delivering

transformational NHS change, there will be those who oppose it and who have the genuinely held concerns that members have articulated this evening.

Maintaining two centres remains an option but, as it stands, the two-centre model raises questions of sustainability, particularly with a single surgeon operating alone in Edinburgh. Services need to be resilient to unexpected absences to ensure that patients receive their surgery when they need it.

I know that some families are worried a surgeon might leave if the recommendation is approved. Let me be absolutely clear: we do not want that to happen, and we will do what we can to keep all the surgeons working here in Scotland. However, we must design a national cleft surgery service that is resilient to such risks, and we must plan and deliver services that will achieve the best outcomes for all of Scotland's patients. That is why one option is a collaborative three-surgeon team. It has been suggested that a single team of surgeons will be better able to share the workload, to learn from each other and to improve patient outcomes in a collaborative manner for the benefit of all cleft patients across Scotland.

As we have heard this evening from Miles Briggs, Angus MacDonald and others who have contributed to the debate, there are alternative options, and we are seriously considering each and every one of them. Whichever service model is adopted, we very much hope to retain the specialist knowledge that we have here in Scotland and build a collaborative three-surgeon team that works well together. Work is under way to actively seek to support the Glasgow and Edinburgh surgeons to make that happen, and the 2021 conference that I think Miles Briggs referred to will provide an opportunity to showcase good results across the whole of Scotland instead of concentrating just on one area.

Another issue that has been highlighted is differences in speech outcomes, and work is ongoing to look at those data in more detail to try to understand what they tell us. We shall consider the findings alongside all of the information that will guide our decision making.

Although the online petition clearly indicates the strength of opposition to the proposal from the east, it is important to highlight its suggestion of a reduction in local cleft services if the recommendation is approved. In response to that and Miles Briggs's concerns about the impact on other related services, I have been given a categorical assurance that the proposed changes relate only to cleft surgery. Orthodontics, speech therapy, dental services and support from specialist nurses will continue to be delivered locally and, in addition, specialist outreach clinics will be retained. There is a clear commitment to

ensuring that what can be done locally will be done locally.

Miles Briggs: Is the minister aware of the potential impact that this will have on services at St John's in Livingston and on the adult patients who are seen at that hospital by the Edinburgh team? What can she say about that and the potential future of that service?

Aileen Campbell: We are clear that the proposals that have come forward to us are about the surgery only. We want to ensure that people can access the local support that they need where they need it, close to their home, and continue to get that much-needed support, which is essential for the smooth recovery process after surgery.

There has also been much criticism from the east about the options appraisal process and the public consultation. It is clear that there are lessons for the NHS to learn and actively reflect on. I am vexed to have heard from Evonne McLatchie about her concerns, which she raised with us at this afternoon's meeting. The Scottish Health Council has indicated that it is broadly content with the consultation, but nevertheless we must take heed of the concerns about the process that have been raised.

I very much hope that members will recognise that the Scottish Government is listening. The Cabinet Secretary for Health and Sport has met the Edinburgh surgeon as well as the petitioner to hear their concerns first hand. Ms Robison also intends to visit both the Edinburgh and Glasgow teams to hear their views. We have received a steady flow of correspondence, and we are aware of all the arguments against consolidation. I am pleased that this debate has presented a further opportunity to ensure that people's voices are heard.

Jackson Carlaw (Eastwood) (Con): Will the minister give way?

Aileen Campbell: I am sorry; I am in my final 10 seconds.

The Deputy Presiding Officer: You can give way if you wish to, minister. We have some time in hand.

Neil Findlay: We have plenty time.

The Deputy Presiding Officer: Mr Findlay, that is for me to say, not you.

Jackson Carlaw: I do not have my card in my console, and I cannot get it out of the one next to me.

The Deputy Presiding Officer: Mr Carlaw, you have to be better prepared than that.

Jackson Carlaw: It is stuck. My apologies, Presiding Officer.

I was interested to hear that Ms Robison will visit both centres. Will the minister ask Ms Robison whether she would be prepared to come to Parliament to make a statement on the basis of the evidence that she has so that, when she is fully briefed on the issue at a later stage, there will be an opportunity for members to question her on it?

Aileen Campbell: What I will guarantee is that there will always be a mechanism to ensure that Parliament is kept up to date with the procedures to take the decision and that Mr Carlaw, Miles Briggs and many members who have contributed to the debate will get a chance to know the timeline for the decision making. I reiterate that Ms Robison is carefully considering all the views and opinions, and she wants to ensure that she engages with the two teams on which the proposals concentrate.

Although it is clear that there are differences of opinion on what is best for Scotland's cleft patients, all views have been and continue to be taken into account. No decision has been made. The decision whether or not to accept the recommendation rests with ministers.

Again, I thank the parents and families who are here. I assure them that we will give every consideration to everyone's views and will make a decision in due course.

I pay tribute to Miles Briggs for bringing the debate to the Parliament and to the parents who have attended the debate, and I thank members who have made positive and constructive contributions. Please continue to engage in the dialogue as we work through the proposals that are presented to ministers.

Meeting closed at 17:37.

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