



**OFFICIAL REPORT**  
AITHISG OIFIGEIL

# Meeting of the Parliament

**Tuesday 15 November 2016**

**Session 5**



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# Scottish Parliament

*Tuesday 15 November 2016*

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

## Time for Reflection

**The Presiding Officer (Ken Macintosh):** Good afternoon. Our first item of business this afternoon is time for reflection, for which our leader is Ms Frances Hume, who is development officer at Interfaith Scotland.

**Ms Frances Hume (Interfaith Scotland):** Presiding Officer and members of the Scottish Parliament, I thank you for the opportunity to address you. I am particularly delighted to be able to address you during Scottish interfaith week, for which more than 50 events have been organised by local people, faith communities, interfaith groups, educational bodies and organisations, to promote and celebrate the multifaith and multicultural nature of Scottish society.

The theme of Scottish interfaith week this year is religion and the media. The media play an increasingly important role in people's lives and many people are influenced by what they read, see and hear. Media reporting can have a powerful effect on attitudes in our society through its portrayal—positive and negative—of people of different faiths and ethnicities. This year, we are exploring how we can share the positive stories of faith and interfaith work and challenge negative reporting of and stereotypes about people of different faiths. That is ever more pertinent with some of the political rhetoric that has been heard in recent times on this island and overseas.

Although the people of Scotland can be heartened that fewer hate crimes were reported in Scotland as a result of the Brexit vote, we cannot be complacent in our continuing effort to create a Scotland in which mutual trust, respect and understanding form the basis of our relationships with others. I am reminded of the quotation that is attributed to Edmund Burke, that the only thing

“that is necessary for the triumph of evil is for good men”—

and women—

“to do nothing.”

We have just had remembrance Sunday and, as the collective living memory of the two world wars fades, I am struck that if we do not learn from our history, we may mindlessly repeat it.

Last week, the religious leaders of Scotland and members of Interfaith Scotland met the First Minister at an interfaith summit. We discussed

how faith and interfaith engagement with young people contribute to community cohesion. I have witnessed how bringing people of different faiths into schools can reduce the demonising of “the other” and how that face-to-face contact and dialogue can turn potential enemies into friends.

I first became involved in interfaith dialogue when I attended an interfaith youth retreat on Holy Island off the coast of Arran. I found there a group of enthusiastic young people from all faiths who had a passionate commitment to making a positive difference in the world. I found that we are all interconnected and share common values. In that spirit, may we all challenge fears and suspicion when we see them, and become a positive and united force for change in society.

## Topical Question Time

14:03

### Social Security Benefits

**1. Christina McKelvie (Hamilton, Larkhall and Stonehouse) (SNP):** To ask the Scottish Government when powers over social security benefits will be devolved to the Scottish Parliament. (S5T-00202)

**The Minister for Social Security (Jeane Freeman):** The Scottish Government has consistently been clear that we will have a Scottish social security agency delivering devolved benefits by the end of this parliamentary term. Our overriding priority has also been consistently stated: it is the safe and secure transition of the devolved benefits.

It is the biggest transfer of powers since devolution began, not least because it is not a lift-and-shift transfer of a complete system—much as that is what we argued for—but the transfer of responsibility for 15 per cent of the payments that are made by an integrated welfare system that has developed piecemeal over more than 50 years, and is currently undergoing further reform and change.

The scale and complexity are clear. As everyone who sits in a democratic Parliament knows, to deliver such a transfer safely is not possible without the underpinning of a legislative framework and a robust delivery infrastructure.

Members of the Social Security Committee will be well aware of the need to work closely with the Department for Work and Pensions to ensure that the Scottish and the United Kingdom systems are aligned. We are determined to work closely with the UK Government, to iron out issues and to resolve the complexities, and we are determined not to allow the important transfer of powers that affect 1.4 million people in Scotland to be used as a political football.

**Christina McKelvie:** I thank the minister for that detail on the transition. How will the Scottish Government ensure that no one who transfers to any of the benefits that will be delivered by the Scottish Government slips through the gaps between the two systems during the transition?

**Jeane Freeman:** Ms McKelvie has gone straight to the heart of what is important, which is safe and secure transfer of the devolved benefits to ensure that every one of the 1.4 million people who rely on that support receive the money to which they are entitled on the day when it is due. Throughout the three-month consultation that we have just finished, no one asked us to do that

quickly; everyone asked us to do it safely. That is why the experience groups—people who have lived experience of the current benefits system—and the other expertise on which we will draw are so important, and it is why we will ensure that Parliament has the time that it needs to scrutinise fully the primary and secondary legislation that will be required before we can deliver the benefits.

That is as it should be, in the interests of the people across Scotland who wake up every day in a cloud of worry and anxiety that has been brought on by the impact of the UK benefits system. It is therefore deeply disappointing that, in recent days, Tory and Labour members have tried to score political points on the basis of unfounded assertions, with utterly careless disregard for the impact that their words have on the people whom they claim to represent.

**Christina McKelvie:** The minister has got to the heart of the issue, which is that people seek safety and security. How will she reassure people who have been victims of the “conscious cruelty” of the current system—people with motor neurone disease, with long-term conditions and with life-threatening conditions—that the new system in Scotland will not replicate the failures of the current system but will address the failures that people have experienced?

**Jeane Freeman:** I note that Ms McKelvie used the words of Paul Laverty, the scriptwriter of “I, Daniel Blake”, to refer to the callous conditionality and benefit sanctions regime of the Department for Work and Pensions. We will learn a great deal from the experience of the DWP and the UK benefits system—not least about rushing to give timescales and commitments that are persistently not met. For example, universal credit was announced in 2010 and delivered in the Welfare Reform Act 2012, but its roll-out is not expected to be complete until 2022.

That is why the approach that we have taken in the consultation of directly listening to people who have lived experience of being in the benefits system, to those with expertise who work with such people, and to people who deliver the benefits system, is exactly the approach that we will continue to take in the weeks and months following the consultation, through the experience groups and other matters that I have referred to.

Unfortunately, with responsibility for only 15 per cent of the system, we cannot change all the unfairness in the current system. However, with the limited powers that we have, we are determined to take the time. We will listen, we will not be bullied into giving false timescales and deadline dates and we will, within the lifetime of this Parliament, deliver for Scotland a social security system of which everyone in Scotland can be proud.

**Mark Griffin (Central Scotland) (Lab):** The Labour Party has supported the minister when she has talked about a social security system that has fairness, dignity and respect at its heart. Why, then, has the Government chosen to delay assuming its powers and to continue with a system that its own back benchers say is one of “conscious cruelty”? Why the delay? Why leave the powers with the DWP?

**Jeane Freeman:** To call the situation “delay” is to completely misunderstand the process of building a new public service. First, we need the legislative competence, so we will bring before Parliament the draft bill that Mr Griffin will be entitled to scrutinise—as will everyone else. That draft bill will form the framework within which we can begin to deliver on executive competence.

I am surprised, to be frank, that Labour has chosen to join the Tories in an attempt to use the situation for political posturing and to make political points. Labour has broken the consensus and agreement that we had that we would work together on the matter. You should know full well, sir, that we need to take the time not only to listen to current recipients in the benefit system but to put in place the significant infrastructure on which the system will depend. We also need to test that infrastructure, because the last thing that I want—I imagine that it is the last thing that Mark Griffin wants—is a single person out of those 1.4 million people falling through a gap simply because members in this chamber are more concerned with the interests of their political parties than they are with the interests of those whom we are here to serve.

**Adam Tomkins (Glasgow) (Con):** If there is confusion about whether there is delay, perhaps that confusion has been caused by the Scottish Government’s refusal to explain to Parliament timeously what it is asking for during meetings of the joint ministerial working group on welfare. The most recent minutes of the working group disclose that it is Scottish ministers, not UK ministers, who have asked for something called “split competence” with regard to transfer of welfare powers. Can the minister explain, for the first time and for the benefit of Parliament, what exactly “split competence” is? Can she clarify whether split competence will apply only to tranche 2 and not to tranche 1? Can she also clarify what impact split competence will have on the timing of the transfer or commencement of powers under sections 22 and 23 of the Scotland Act 2016? Finally, can the minister explain why none of that—none at all—was explained to the Social Security Committee until after Damian Green had given evidence to us on 3 November? What do ministers here have to hide?

**Jeane Freeman:** That is quite astonishing. Mr Tomkins is a member of the Social Security Committee. I will read a few words from the appearance of the Cabinet Secretary for Communities, Social Security and Equalities before the committee on 30 June this year—a number of months ago. It is unfortunate that Mr Tomkins did not have his listening ears on. She said:

“It is important to distinguish between commencement and delivery of the powers. The legal commencement of powers is the first stage in a process and is some distance away from the delivery of new or existing benefits.”—*[Official Report, Social Security Committee, 30 June 2016; c 7.]*

I think that that is clear. I repeated it myself when I attended the committee on 29 September and it has been repeated in debates in the chamber. It is unacceptable, not to say downright disingenuous, for any member—particularly a member of the Social Security Committee—to claim that that is news to them or that it was unknown.

The principle does apply to tranche 2, and I have already explained the difference between legislative competence and executive competence. Legislative competence allows us to bring to Parliament the draft bill that will be the framework on which we will establish a social security system for Scotland; executive competence will then allow us to deliver the benefits within that system and from that agency. The difference is clear: I would have expected someone of Mr Tomkins’s learning to have understood it.

**Neil Findlay (Lothian) (Lab):** The minister clearly has her brass neck on today. In 2014, the SNP told the Scottish people that it could establish all the mechanisms and institutions of a new state within 18 months; now we find out that it cannot even administer 11 benefits within the next three years. Was the claim that was made in 2014 a mistake? Was it a typo in that great organ of truth, the white paper on independence, or was it just a blatant attempt to mislead the voters?

**Jeane Freeman:** Oh dear, oh dear, oh dear. I have no “brass neck on today”, but Mr Findlay should be ashamed of himself. If he reads the white paper, he will see that we made it very clear that there would be a period of transition.

Mr Findlay should pause for a moment, think less about himself and his party and consider what is required. I appreciate that because it is some time since Labour was in power he might have forgotten what is required to bring into being a new public agency in Scotland. It requires that we take the time to get it right—unlike the UK Tory Government—and that we have in our sights, first and last, the 1.4 million people who will rely on us to deliver the benefits on time, in the right place

and to the right account. They are our first and last focus. How unfortunate it is that that is not the case for either Labour or the Tories.

### Local Government Review

**2. Graham Simpson (Central Scotland) (Con):** To ask the Scottish Government whether powers will be removed from councils by its local government review and, if so, which. (S5T-00194)

**The Minister for Local Government and Housing (Kevin Stewart):** My ministerial colleagues and I are engaging with the Convention of Scottish Local Authorities on a wide range of public service reform issues.

We believe that local control by, rather than on behalf of, communities is key to delivering better public services and improving outcomes for all in Scotland. The Scottish ministers are engaging with COSLA on a wide range of public service reform issues. Our discussions will include consideration of the scope and timing of a review of local government functions. That review will be an opportunity to build on emerging good practice, to energise local democracy and to increase community empowerment.

**Graham Simpson:** *The Times* reported on Friday that ministers are planning a

“major assault on town halls”

through measures such as forcing councils to merge services, devolving services down to local areas and stripping councils of some areas of responsibility such as roads. The idea of a national roads service with no democratic accountability fills me with horror. The article further said that the plans were meant to be kept secret until after next year’s council elections. All that comes on top of the Government’s raiding of council coffers to pay for a national priority.

I ask the minister for a straight answer. Was the article correct in any of its claims? If not, can he guarantee that none of those things will happen?

**Kevin Stewart:** First of all, we do not have town halls in Scotland. We should start from basic knowledge of how we do business here.

Local government is essential to the health, wellbeing and prosperity of every community in Scotland, and we hugely value the work that local authorities do. The Scottish Government and local government share the same ambitions for stronger communities, a fairer society and a thriving economy. Local government is and always will be an essential and equal partner in creating a fairer and more prosperous Scotland, and that includes being a key partner in our work on community empowerment.

I will read out a quotation:

“We understand how difficult it is to throw off the shackles of the current way of looking at democracy. However, the reality is that if we are serious about making Scotland fairer, wealthier and healthier then we need to start putting local communities in control over what matters to them.”

That was what Councillor David O’Neill said after publication of the commission on strengthening local democracy’s report. I agree with Councillor O’Neill on that.

**Graham Simpson:** The minister has not answered the question that I asked, which I asked him to give a straight answer to. Let us try again, shall we? The article said that ministers—including Mr Stewart, presumably—were planning to force councils to merge services and to strip councils of areas of responsibility such as roads. Is any of that incorrect? Will he give us a straight answer to that?

The minister mentioned COSLA. COSLA is so engaged with the Government that it does not even want to talk to it about the educational attainment fund, because the Government does not want to engage with the issue of democratic accountability, which it has stripped away from local government.

**Kevin Stewart:** As is the case with Mr Simpson’s knowledge of local government in Scotland, much of the article in *The Times* displays a lack of knowledge.

As I have said already, we are engaging with COSLA at the moment. That is an opportunity to build on emerging good practice and to energise local democracy. I entered politics to ensure that people had a real say in the public services that are delivered—not public services that are delivered to them but public services that they have a say in shaping. That is what we intend to do and that was the way in which the Government progressed during the previous session of Parliament with the Community Empowerment (Scotland) Bill. We intend to go much further and we intend to do that in partnership with local government colleagues.

**Alex Rowley (Mid Scotland and Fife) (Lab):** Does the minister acknowledge that many local authority services are buckling at the seams under the financial pressure that they have been under for some time now? Over 27,000 jobs have gone in local government since 2009. However, the demand and the pressure on those local government services have not reduced, and we can imagine the pressure on the staff who are left. Public service reform is one thing, but it must be set against a backdrop of increasing cuts in services. Did the minister read the report by the Scottish Parliament information centre, the University of Glasgow and Heriot-Watt University on the impact of the cuts in local government in



last year's budget, which clearly showed that there was a disproportionate impact on the poorest and most vulnerable in our communities? In looking at the settlement for local government this year, will he ensure that there is a proper impact assessment on how it will impact and who it will impact most?

**Kevin Stewart:** The Scottish Government has treated local government very fairly, despite the massive cuts to the Scottish budget from the United Kingdom Government. [*Interruption.*] That is fact, absolute fact. It would be more apt for Labour members to point the finger at the UK Government for continuing to cut our budget here in Scotland. [*Interruption.*]

**The Presiding Officer (Ken Macintosh):** Order, please.

**Kevin Stewart:** Instead of carping from the sidelines, Labour members should be joining us in fighting Tory austerity. Instead, Labour members' Westminster colleagues marched through the lobbies to sign up to George Osborne's austerity compact—they should be ashamed of that.

### Inequalities (Research)

3. **John Mason (Glasgow Shettleston) (SNP):** To ask the Scottish Government what consideration it has given to research carried out by Heriot-Watt University regarding ways to reduce income and other inequalities. (S5T-00189)

**The Cabinet Secretary for Communities, Social Security and Equalities (Angela Constance):** The Scottish Government pays close attention to research on reducing inequalities and welcomes the Heriot-Watt University research, which supports the rationale behind one of the Scottish Government's key priorities of extending the provision of free early learning and childcare. That includes increased provision for all three and four-year-olds to 600 hours per year and extended provision to include over a quarter of two-year-olds; and we are committed to nearly doubling free early learning and childcare entitlement to 1,140 hours per year by 2020. That will save families more than £3,000 per child per year. In addition, our fairer Scotland action plan outlines 50 concrete actions that we are taking to tackle inequality and create a fairer Scotland.

**John Mason:** I am grateful that the minister talks about helping women into work through childcare and other ways. Can she confirm that the Government will also tackle the gender pay gap, which is mentioned in the report?

**Angela Constance:** Yes, absolutely. Mr Mason rightly recognises the importance of childcare in alleviating pressure on family households' costs of living, with entitlement free at the point of need,

and its importance in freeing up women in particular to enter the labour market.

Mr Mason raised an important point about the gender pay gap. As well as identifying the investment in early learning and childcare, the research that he mentioned identifies the importance of policies that close the gender pay gap. I am pleased to say that the evidence that was published by the Office for National Statistics a few weeks ago showed that the gender pay gap in Scotland is continuing to reduce, and we have outperformed the United Kingdom in that regard. However, the fact that we still have a gender pay gap means that we need to continue with our work on occupational segregation and work to encourage public and private sector employers to publish information on the gender pay gap. Of course, we also need to do the long-term work to encourage more women to pursue and remain in careers relating to science, technology, engineering and mathematics.

**John Mason:** I think that we all believe that we should grow the economy but, up to now, the gap between those who have high incomes and those who have low incomes—the richest and the poorest—has been unacceptably large. Can the Government confirm that, as well as growing the economy, we are committed to reducing the gap between the richest and the poorest?

**Angela Constance:** We know that inequality has a negative effect on economic growth. According to the Organisation for Economic Co-operation and Development, rising income inequality between 1990 and 2010 reduced the UK's economic performance by 9 percentage points. That is why inclusive growth is central to the Government's economic strategy and our approach to a fairer Scotland. We must ensure that we tackle inequality so that everyone can benefit from a more prosperous economy.

Obviously, that chimes with the research that has been published by Heriot-Watt University. As well as talking about investment in early learning and childcare and endeavours to close the gender pay gap, it talks about the importance of regionally balanced economic growth. That is reflected in both our economic strategy and our labour market strategy, and also in some of the work in the fairer Scotland action plan, which is pragmatic and contains 50 concrete actions that are about tackling poverty and inequality in all their forms.

## Point of Order

14:26

**Richard Leonard (Central Scotland) (Lab):** Presiding Officer, I rise to make a point of order regarding an inaccuracy of factual information provided to Parliament on Wednesday last week. As I understand the guidance, members, including ministers, have a personal responsibility to be accurate and truthful in their contributions during parliamentary proceedings, which include answers to oral questions.

The Minister for Transport and the Islands, in an answer to an oral question, told the Parliament that his plan for a bill on railway transport policing was a Scottish National Party manifesto promise. He said:

“we were elected on a manifesto promise to do what we are doing”.—[*Official Report*, 9 November 2016; c 2.]

Following that answer, I checked the entire contents of the SNP manifesto upon which the minister was elected. Nowhere did any such promise appear. Can I therefore ask—nay, demand—that the minister comes to the Parliament at 5 o'clock to set the record straight before decision time this afternoon?

**The Presiding Officer (Ken Macintosh):** I thank the member for his point of order and for the advance notice. I will make a number of comments. If any member believes that a member has not been fully accurate in their comments, they can make a number of interventions. They can intervene on the member while they are speaking and ask them to correct what they said. They can put the matter in writing to the member and ask them to correct it in that way. If relevant, they can lodge a motion for debate, or a question, and it is up to members to decide whether they wish to raise matters in the media.

In terms of procedure, if any member realises that they have given incorrect information in a contribution in the chamber, they can request that that information is addressed in the *Official Report*. I hope that that addresses the member's point of order.

## Single Market and Trade (European Union Referendum)

**The Presiding Officer (Ken Macintosh):** The next item of business is a debate on motion S5M-02488, in the name of Keith Brown, on the single market and trade and the European Union referendum.

I am conscious that, because of questions and the point of order, we have gone well over time already. If members—and ministers, too—can be as concise as possible and shave off a few seconds here and there, that will be very welcome.

14:28

**The Cabinet Secretary for Economy, Jobs and Fair Work (Keith Brown):** This is the fourth in a series of debates that focus on the challenges that Scotland faces as a result of the recent European Union referendum. Following Scotland's overwhelming vote to remain within the European Union, our priority is to protect all of Scotland's interests, and we are considering all possible steps to ensure Scotland's continuing relationship with the EU.

Previous debates have reaffirmed our aim of getting the best deal for Scotland in circumstances that are not of our choosing. Today, we will discuss the importance of membership of the single market for Scotland and its trading relationship with the EU and the rest of the world, and how that can best be protected.

Before I go on to outline why being part of the single market is so important for Scotland, I say that I welcome this opportunity to listen to and work closely with MSPs from across the Parliament who share our goal of keeping Scotland, and indeed the whole of the UK, inside the single market—an outcome that is in the best interests of everyone in these islands.

From that, members can tell that my strong preference is for the whole of the UK to retain membership of the single market. However, given what we have heard from the UK Government over the past few months, we need to be prepared for the possibility that the UK Government will pursue a hard Brexit.

That is why I hope that we can seize the opportunity today to work towards a unified position of support for the single market. We know that that option is favoured by Ruth Davidson, who told the BBC in July:

“I want to stay in the single market. Even if a consequence of that is maintaining free movement of labour”.

Indeed, the 2015 Conservative manifesto said:

“We say: yes to the Single Market.”

In September, Kezia Dugdale wrote to the First Minister to express her support for the Scottish Government’s efforts

“to find a way to retain our EU membership.”

It would be interesting to find out from Labour members when they speak whether they maintain the position of supporting membership of the single market or whether they have now settled for access, as their amendment suggests.

There has been no such clarity from the UK Government, and that has allowed those in the Tory party who favour a hard Brexit to fill the void. The damage is already becoming clear. Earlier this month, *The Times* quoted a UK minister’s response to rhetoric from his colleagues on immigration. The minister said:

“It has been absolutely catastrophic in terms of the way we are now seen abroad. The impact has been devastating.”

Today, we have the opportunity to reaffirm the Parliament’s commitment to the single market and free movement, and to make clear that Scotland rejects the divisive language of the hard Brexiteers.

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

This morning, the BBC reported that the Scottish Government’s preferred option is membership of the European Economic Area. In June, the First Minister published five tests that related to Scotland’s relationship with the EU, one of which was that Scotland had to have a say in shaping the single market and not just be subject to its rules. As the Law Society of Scotland has made clear, members of the EEA would be subject to EU regulations, but would have no influence in deciding them. Can the cabinet secretary confirm that membership of the EEA would be incompatible with one of the First Minister’s five tests?

**Keith Brown:** I am able to confirm that, just because the BBC says that that is the Scottish Government’s position, that does not make it so. We have made it clear all along that, through the process that the First Minister has identified involving the standing council on Europe, which has members from across the political spectrum and has profound knowledge of European matters, we will come to a decision in due course. I am sure that that will be substantially in advance of any clarity from the UK Government.

As I was saying, today we have the opportunity to reaffirm the Parliament’s commitment to the single market, as expressed previously by the Conservative Party and others. Encouraging sustainable and inclusive economic growth is at the heart of everything that we do as a

Government. We have a small, open economy in a rapidly changing and globalised world, and our ability to create a more productive and fairer Scotland depends more than ever on trading with the rest of the world and attracting investment into our economy, businesses and assets.

The EU is the world’s largest trading bloc. It is the largest trader of manufactured goods and services in the world, and it ranks first in both inbound and outbound international investments. Forty-two per cent of Scottish international exports go to the EU and eight of Scotland’s top 12 export destinations are in the EU. Scottish exports to the EU were worth £11.6 billion in 2014, and Scottish exports to the EU were associated with more than 300,000 Scottish jobs in 2011.

**Neil Findlay (Lothian) (Lab):** On export destinations, does Scotland have a greater export field into the EU or to the rest of the UK?

**Keith Brown:** The UK market for our exports is currently substantially larger than the EU market. However, it is also true to say that many of the goods that we export to the rest of the UK go on to be exported to the EU. Therefore, it is not possible to give a definitive figure.

It is not my party’s position that we should not encourage more trade and exports with the rest of the UK. We have taken a number of measures to ensure that that is true. However, it surely cannot be right, as the Tory minister David Davis has said, that the people in Ireland do not have to choose between Ireland and the EU, but that they can have the best of both worlds and they will not have a hard border. If that is possible in the Republic of Ireland, why would it be impossible in Scotland?

Being part of the EU, of course, makes easier the free movement of goods, services, workers and capital without any internal borders or other regulatory obstacles. The single market removes barriers to trade. With a market of more than 500 million people, it opens up opportunities for citizens, workers, businesses and consumers. It makes it easier for businesses to offer and receive cross-border services and to do business in other EU countries.

Scottish businesses wishing to export to, or import from, the EU face no tariffs, quotas or duties applied to the goods that they trade. A common set of regulations and rules apply. In a wide range of sectors, Scottish businesses have the right to establish companies to provide services in other member states. Financial services firms based in Scotland also have the right to provide services to the EU, and EU citizens can live and work anywhere in the EU area.

Membership of the single market removes many other non-tariff barriers to trade, such as licensing and regulatory constraints, which are particularly important for services.

The benefits of being inside the single market go far beyond our imports and exports to the EU. The free movement of people has been a driver of economic growth, and access to a skilled workforce has been important to businesses and in attracting investment into Scotland.

Inward investment into Scotland has been an area of terrific success in recent years, with Ernst & Young figures consistently showing that Scotland is the top location for inward investment in the UK outside of London. Our place inside the single market is a critical factor in attracting that investment, with 79 per cent of investors citing access to the single market as a key feature of the UK's attractiveness as an investment destination in 2016.

**Mike Rumbles (North East Scotland) (LD):** I seek an explanation of the Government's motion. It says that if

"the UK Government ... will not secure that option"

the Parliament

"calls for Scotland's place in the single market to be fully protected."

How does the minister envisage protecting our position in Europe if the UK Government refuses to do so?

**Keith Brown:** As I said in response to an earlier question, we will put to the UK Government a set of proposals whereby we can maintain and protect that position. We are undertaking a process in which we are consulting a number of people, most—or many—of whom are not from the Scottish National Party, but who come from other parties or no party, and who have expertise in the European area and on constitutional politics. We will take that advice and we will make our case to the UK Government.

I am reminded by Mike Rumbles's question of today's front page of *The Times*, which reports on an internal leak from the Conservative Government. It says that, five months on, the UK Government has no plan. That is remarkable. It also anticipates that 30,000 new civil servants will have to be taken on to work on Brexit. There is also a complete split in the Conservative Party, with the three Brexiteers on the one side and Philip Hammond on the other side. It is complete chaos. Indeed, Murdo Fraser has issued a press release saying that it is absolutely essential that the Scottish Government produces its plans. Presumably, that is because the UK Government has no plans and it would like guidance and leadership from the Scottish Government.

As I have said, the benefits of being part of the single market go far beyond imports and exports. In February 2017, I will address global companies based in London in order to promote Scottish businesses and the investment opportunities that Scotland presents and to send the strong message—the continuing message—that Scotland is open for business.

Given the importance of single market membership to Scottish trade, it is not surprising that there is a broad consensus among economists—and actors in the Scottish economy—that any relationship with the EU short of full membership risks increasing barriers to trade and reducing exports.

The Fraser of Allander institute has estimated that leaving the single market under a World Trade Organization scenario could result in our economy being worse off by about 5 per cent overall—about £8 billion—after a decade, compared with the position if we were to remain in the EU. That is 80,000 fewer jobs and real wages lower by £200 a head a year.

**Dean Lockhart (Mid Scotland and Fife) (Con):** Will the member take an intervention?

**Keith Brown:** I am sorry, but I must make progress. If I have time towards the end, I will take the intervention.

Leaving the single market could mean the introduction of costly tariffs on traded goods; the loss of financial passporting and the right of establishment in other member states; new non-tariff barriers to trade such as divergent regulatory regimes; and—perhaps crucially—restrictions on the free movement of people. All that risks putting Scottish companies at a significant competitive disadvantage. It is not a risk that we are prepared to take.

It is not just this Government that understands the risks. We are hearing concerns across the economy about the impact of leaving the single market, with Scotland's main business organisations calling for continued access to the single market and to the free movement of labour.

The Japanese Government has set out in remarkable detail—and with some vigour—the potential implications of the UK 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.

JP Morgan's chief executive officer has warned that the company could be forced to move jobs away from the UK to other EU financial centres if the UK is denied access to the single market's passporting regime.

If Scotland were also to leave the EU customs union, businesses could face the additional burden of border checks for exports and onerous rules-of-origin procedures. In many cases, those are more costly than tariffs and could pose a particular risk to our time-sensitive exports such as fresh food, or to industries with complex pan-Europe supply chains, such as aerospace and other high-value manufacturing sectors.

That is why the Scottish Government has been clear that we strongly support membership of the single market. We will seek to make common cause with those of like mind across the UK to try to reach the best outcome for Scotland and the least-worst outcome for the UK as a whole, and that means remaining in the single market.

As I have said, in the coming weeks, we will table specific proposals to protect Scotland's interests and to keep us in the single market, even if the rest of the UK decides to leave. I believe that the UK Government actually has no democratic mandate for taking the UK out of the single market, which would seriously damage Scotland's interests. That is why I welcome the recent decision of the High Court in London that article 50 cannot be triggered without parliamentary approval. Now more than ever, Scotland must be and must be seen to be a country that is confident, outward facing and open for business.

Our economic strategy recognises that strengthening our links with the global economy is key to Scotland's future economic success, and our trade and investment strategy sets out an ambitious agenda of internationalisation to support the strong performance that has seen Scotland's international exports increase by 17 per cent over the past five years. The First Minister has recently announced a four-point plan to build on our trade and investment strategy, boost exports and take Scotland's message to the heart of Europe. First, next year, we will add to the innovation and investment hubs in Dublin, Brussels and London by establishing a hub in Berlin to enhance our current presence and build on existing relationships.

Secondly, to support and enhance Scottish Development International's work in helping companies win export orders and attracting investment to Scotland, we will double the number of people working for SDI in Europe. Thirdly, we will appoint dedicated trade envoys for particular markets or sectors, who will help to make companies in Scotland more aware of export opportunities and champion Scottish strengths and companies in key markets. Finally, we are taking forward our plan to establish a board of trade, which will promote the internationalisation of Scotland's businesses and provide advice on practical ways to boost our export performance.

I will take the intervention from Dean Lockhart, if he still wants to make it.

**Dean Lockhart:** Last week, the Irish Government made it clear that it would deal only with the UK Government, as the member state, in respect of Brexit negotiations. Will Keith Brown not listen to the constitutional lesson given by the Irish Government and recognise that the member state is the UK?

**Keith Brown:** There is an element of self-loathing here, which says that Scotland cannot be active in the international arena, although it is. The Cabinet Secretary for Culture, Tourism and External Affairs, Mike Russell and Alasdair Allan are all very active on the international stage talking to Governments and others.

While we are on the subject of who is talking and who is not talking, it is interesting that the finance spokesperson for the Conservatives leads and puts out a press release, once again elbowing out of the way the economy spokesperson from discussion in the area. I am reminded of "The Two Ronnies" series "The Worm that Turned"—there might come a point when Dean Lockhart says, "Murdo, you've had enough; it's time for me to have a go." We look forward to that day.

To finish broadly where I began, membership of the EU single market has delivered significant economic and social benefits for Scotland. It has removed barriers to trade and opened Scotland to a market of over 500 million people. [*Interruption.*] Murdo Fraser mumbles from the sidelines. He should perhaps look at some of the comments of his idol, Margaret Thatcher, who was instrumental in establishing the single market and who talked forcefully about the necessity for freedom of movement of people. That shows how far to the right the Conservative party has gone, first of all down south and now here in Scotland.

The important point for people across Scotland is that leaving the single market could increase the cost of exporting, reduce the country's attractiveness to overseas investors, lose us jobs—the figure mentioned by the Fraser of Allander institute is 80,000—and impose new restrictions on labour, thereby increasing skills shortages and reducing productivity. Therefore, I hope that the motion will gain the support of members across the chamber.

I move,

That the Parliament recognises the overwhelming vote of the people of Scotland to remain in the EU; supports calls for clarity from the UK Government on its proposals to leave the EU, including whether it will seek continued membership of the single market; notes the reports of the Fraser of Allander Institute and the National Institute of Social and Economic Research regarding the negative impact that leaving the single market would have on the UK and Scottish economies; recognises the opportunities for

business and citizens that come from a Europe-wide approach to trade, regulation and free movement and the importance of ensuring that the benefits of this are shared fairly across society; supports the Scottish Government's efforts to assist businesses in Scotland to secure new international opportunities; believes that the UK Government should seek to maintain Scotland's place in the single market, and, in the event that the UK Government cannot or will not secure that option, calls for Scotland's place in the single market to be fully protected.

14:44

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

It is an interesting tactic from the cabinet secretary to say that he wants the support of members across the chamber when he spent most of his speech attacking the Opposition parties. However, let us approach the debate in the spirit that we should address it in. I believe that this is the 11th debate that the Scottish Government has scheduled on the consequences of Brexit, with increasingly little that is new to say on the subject. A cynic would be forgiven for thinking that that is because the Scottish Government wants to deflect attention from its failing domestic agenda, whether that is on the health service, education, justice or even Scotland's economic performance.

We in the Conservatives are happy to debate Brexit, particularly in light of the latest revelations about the level of support in the Scottish National Party for the UK to leave the EU. For months, we have had to put up with SNP politicians from the First Minister downwards lambasting Conservative members and saying how dare we vote to see Scotland dragged out of the EU against its will. We now know that those who were responsible for the leave vote were not just Conservative members but SNP members.

At least the Conservatives who campaigned for leave did so openly and proudly; some of them will speak in the debate. We know—according to former SNP deputy leader Jim Sillars—that there are four, five or six SNP MSPs who voted for leave. Among them, only my good friend Alex Neil has had the courage to stand up and state his position. I hope that the others who are here today will not be as shy as they have been in the past. They should stand up and declare their support for Brexit.

Sadly, Mr Harvie is not in the SNP, but I shall happily give way to him nonetheless.

**Patrick Harvie (Glasgow) (Green):** Murdo Fraser can be assured that I will never stand up to represent the SNP. Has he not noticed that the debate is about the single market? Does he have a single word to say about that subject?

**Murdo Fraser:** I am simply putting into context the debate on the single market. It is just a few days since we heard SNP MP Mhairi Black say

that she voted remain only while holding her nose. The other SNP voices that we have heard—those of Gordon Wilson, Jim Sillars and Brian Souter—are all entirely happy that we are heading for Brexit.

We know that one in three SNP voters backed leave. Before SNP ministers start pointing fingers in my direction, they should look at those behind them—those who used to sit in the Cabinet with them.

I will please Mr Harvie by moving on to the substance of the debate. I agree with the Scottish Government that we want to continue to trade with the EU after Brexit. However, we are still no clearer as to what exactly the Scottish Government is asking for. It talks about membership of the single market, but it must know that that concept does not exist separate from membership of the EU, as I am sure its committee of expert advisers will have told it.

What exactly is the SNP looking for? Is it membership of the European Free Trade Association? Is it membership of the European Economic Area? Is it a deal like that of Norway or Switzerland? Is it a free-trade agreement like the one that Canada just signed? Is it a customs union? Is it operating under WTO rules?

**Daniel Johnson (Edinburgh Southern) (Lab)**  
*rose—*

**Murdo Fraser:** Let me make some progress. Nearly five months on from the Brexit vote, after all the attention that has been paid to the issue by the First Minister, the Scottish Cabinet and their committee of experts, and with all the considerable intellectual firepower of the Brexit minister, Mr Russell, we might be a bit further forward, but there is still absolutely no clarity from the Scottish Government, while at the same time it demands absolute clarity from the UK Government, which is conducting the negotiations.

**Willie Rennie (North East Fife) (LD):** Murdo Fraser talked about giving absolute clarity and set out a range of possible options. How far is he prepared to go? What is he prepared to accept for our relationship with the European Union? Is he prepared to write a blank cheque?

**Murdo Fraser:** I will expand on that point in great detail in the next few minutes.

The BBC suggested this morning that the Scottish Government's preferred option is EEA membership. That would be the worst of all worlds, as we would be bound by EU rules but unable to influence their creation. That would be a clear breach of one of the five tests for an EU deal that the First Minister set out in June, which was that we would have to be able to influence the single market's rules. The Law Society and others

have made it absolutely clear that that would not be the case with EEA membership, and Professor Michael Keating of Edinburgh university's centre on constitutional change has said that that would be the most complex arrangement imaginable. It would not be in Scotland's interests and, in Professor Keating's words, it would mean a hard border with the rest of the United Kingdom, which would be disastrous for our economy.

It is interesting that the cabinet secretary seems to be in full retreat. I do not know which civil servant from the Scottish Government briefed Brian Taylor at the BBC, but it is clear that the briefing was very full. It was the basis of the lead story on "Good Morning Scotland" when I woke up this morning.

The cabinet secretary is in full retreat. The Scottish Government has been exposed on the fact that its proposal contradicts what it said previously.

**Bruce Crawford (Stirling) (SNP)** *rose*—

**Murdo Fraser:** I need to make progress.

Conservative members understand that we cannot be members of the EU single market unless we are members of the EU, but we can have the maximum possible access to the EU single market with the lowest possible tariffs—or none at all. If Canada can negotiate a free-trade deal with the EU, there is no reason why the UK cannot. Just last week, German manufacturers called on their Government to ensure tariff-free access to the EU for the UK. In Europe, there are voices that are calling for the continuation of free trade, and we should be happy to work with them.

Two key points need to be made. First, although EU trade is important, it is nowhere near as important to Scotland as trade with the rest of the United Kingdom is. Some 64 per cent of Scottish exports go to the rest of the UK, while 15 per cent go to the EU. The rest of the UK is four times more important to Scottish business than the EU is. We know that, even if it were possible to retain single market membership, we could not do that while we were a member of the UK single market.

On 7 September, when talking about trade between Scotland and the rest of the UK, Professor Michael Keating said:

"There would be an economic barrier, a barrier to free movement, a barrier to goods and probably services as well ... There would be a cost to that.

And the question would be is it more important to maintain access to the European single market or to the UK single market? We can't have both."

**The Minister for UK Negotiations on Scotland's Place in Europe (Michael Russell):** I respect Professor Keating's point of view, but how does that position square with the Prime Minister's

commitment to ensure that there is no hard border between the north and the south of Ireland and that the present arrangement will continue? I have heard the Prime Minister say that personally.

**Murdo Fraser:** Mr Russell will be well aware of the different historical arrangements between the north and the south of Ireland. I am simply quoting the opinion of a well-respected constitutional expert—Professor Michael Keating. I suggest that, if Mr Russell has an issue with those words, he should take them up with Professor Keating, who understands—in a way that the Scottish Government does not—that seeking to secure trade with a market for 15 per cent of our exports and turning our back on a market for 60 per cent of our exports makes no sense on any level.

It is not as if the EU economy is growing in a way that makes it a more attractive proposition. Over the 10 years to 2014, the share of our exports that went to the EU declined from 17 to 15 per cent. That is little wonder, as all the economic information tells us that the eurozone economy is growing more slowly than that of the UK and has been for years. In the EU, the unemployment rate stands at 8.5 per cent, and in the eurozone it is 10 per cent. In the UK, the local rate is 4.9 per cent.

The policy of economic and monetary union under the EU single currency could be on the verge of collapse. Professor Otmar Issing, who was the European Central Bank's first chief economist and who is widely acknowledged as the champion architect of monetary union, has said that the euro project is unworkable in its current form. He says that,

"one day, the house of cards will collapse",

and that, until then,

"it will be a case of muddling through, struggling from one crisis to the next one. It is difficult to forecast how long this will continue for, but it cannot go on endlessly."

That is his view, yet that is the economy that the SNP thinks is far more important to Scottish interests than the much closer, more stable and faster-growing economy of the rest of the United Kingdom.

The second point to make is that we need to focus on exports to the rest of the world. Some 20 per cent of Scotland's exports go to the rest of the world, and that figure has gone up in the past decade from 16 per cent. That is the growth area across all sectors. Leaving the EU gives us a huge opportunity to negotiate a new network of free-trade agreements in major markets that have long-term potential, such as India, China, Brazil and sub-Saharan Africa.

**Michael Russell:** Will the member give way?

**Murdo Fraser:** No—I have taken three or four interventions and I need to make progress.

Bodies such as the Scotch Whisky Association are already looking to opportunities that Brexit will bring to reduce tariffs and promote Scottish produce. Why will the Scottish Government not get behind them? We have consistently called on the Scottish Government to expand the work of Scottish Development International across the rest of the world—not just in Europe but where the new markets are—and to consider the opportunities to support business there. That is what the Scottish Government needs to do instead of continuing to gripe and moan about the Brexit result.

Mr Brown needs to start listening to his former Cabinet colleague, Alex Neil, who said in the chamber on 6 September that devaluation as a result of Brexit had brought a huge opportunity to boost our exports. He said:

“We have to have a new export drive to take advantage of that competitive pricing”

and that

“there is an opportunity in some industries for more import substitution—to grow our own goods and services at home rather than rely on more expensive imports from abroad.”—  
[*Official Report*, 6 September 2016; c 43.]

Unlike the dismal and downbeat Keith Brown, the sunny and upbeat Mr Neil can see the positive opportunities that might come from Brexit. There are other SNP back benchers—they are keeping their heads down—who undoubtedly agree with his analysis.

The Scottish Government needs to make up its mind about what it wants from our future relationship with the EU. In so doing, it cannot and should not put at risk our relationship with the rest of the UK, and it needs to start focusing on the opportunities for improving trade with the rest of the world. Those are the key points that are covered in our amendment, which I have pleasure in moving.

I move amendment S5M-02488.2, to leave out from “overwhelming” to end and insert:

“vote of the people of the UK to leave the EU; supports the UK Government in its efforts to secure a positive trading relationship with the EU for the benefit of the UK economy; notes that exports to the rest of the UK from Scotland are at four times the level of exports to the EU, and considers that access to the UK single market should not be put at risk; welcomes the opportunities that leaving the EU presents in relation to developing Scotland’s growing trade with the rest of the world, and calls on the Scottish Government to specify its proposals for the future trading relationship with the EU, and for it to work positively with the UK Government to deliver the best outcome for Scottish businesses and consumers.”

14:55

**Jackie Baillie (Dumbarton) (Lab):** Presiding Officer, whatever way we voted in the referendum—I voted to remain in the European

Union—there is little doubt in my mind that we will be leaving. When article 50 is triggered, we will have a relatively short time in which to negotiate the terms of Brexit. It is absolutely right that we should underline our priorities for that negotiation, so I welcome the opportunity to debate the single market.

I think that that is the single biggest issue facing us. The impact on our economy of Brexit and ensuring that we have access to the single market for businesses is of the utmost importance. I am therefore genuinely disappointed that the SNP appears to want to break the consensus on that issue, despite Keith Brown’s calls for unity in public. I believe that we should get the very best deal possible for Scotland, and I support the Scottish Government in so doing.

The SNP wants continuing membership of the single market but does not tell us how that would be achieved. In truth, membership of the single market requires membership of the European Union. Scotland would need to be an independent country and would need to apply to join the EU as a new member state.

**Keith Brown:** Will the member take an intervention?

**Jackie Baillie:** I will in a second. Even I, committed as I am to membership of the EU, would want us to pause and think about the terms of any such entry. For a start, we would need to join the euro and the consequence of that would be to slash our public services in order to close the £15 billion deficit in Scotland’s budget. For a responsible Government, that surely requires some reflection. I invite comment from the cabinet secretary on that point.

**Keith Brown:** The member says that we have broken the consensus. I remind Jackie Baillie that in September, when Jeremy Corbyn indicated that he did not favour single market membership, Kezia Dugdale tweeted the First Minister, saying

“@scottishlabour absolutely committed to EU and single market and supportive of SNP efforts to retain both”.

It is Jackie Baillie who has changed her position. Can she explain why?

**Jackie Baillie:** I will say how wonderful it is that the cabinet secretary spends so much time looking at our tweets. I will tweet more regularly in order for him to do so.

There is absolutely no change to the position. If the cabinet secretary cares to look back over the letters that were written to the First Minister and others, he will see that we talk about access to the single market.

**Michael Russell:** Will the member take another intervention?



**Jackie Baillie:** No, I need to make some headway. Our response to Brexit must be clear and straightforward and not a thinly veiled attempt to pursue the only thing that unites the SNP, which is independence.

Access to, not membership of, the single market is key. Access alone will be difficult to negotiate. It is unclear what price would be exacted in return. Experts tell us about the Norwegian model, the Swiss model, the World Trade Organization model and other permutations besides. All of them have their challenges. I understand that the Scottish Government is keen to pursue membership of the European Economic Area through membership of the European Free Trade Association. That is worthy of consideration. The positive aspect would be that we could access the single market and we know the benefit that that would bring to our economy. The downside is that Scotland, and indeed the UK, would become law-takers rather than lawmakers, as we would need to follow all the EU rules without having a say in making them.

Let us have that debate and consider the proposal.

**Patrick Harvie:** Will Jackie Baillie give way?

**Jackie Baillie:** Give me a minute.

Let us also be clear that there is little capacity in the UK—Scotland included—to negotiate trade deals. I genuinely cannot believe just how cavalier the Tory Government has been to hold a referendum because of internal Tory divisions on Europe, to tear us out of a partnership without a single idea about how to make Brexit work, and to make promises about things that they were never, ever going to deliver. Where is the money for the national health service? I ask the Tories that.

**Patrick Harvie:** Jackie Baillie is right to say that a common regulatory standard is a part of the single market and that it would be wrong to be law-takers and not contribute to the lawmaking. However, I am keen to understand the economic ideas that inform Labour's position about access. She mentioned

“access to the single market for businesses”.

Is it not also fundamental that people have a right to access a single market by being free to move where they want to sell their labour?

**Jackie Baillie:** I accept that point entirely and have no difficulty in agreeing with Patrick Harvie.

We need to be careful with language. By claiming that we want continuing membership, as the SNP does, we might be in danger of setting the bar so high that we are likely to fail from the outset. It would be much more realistic to secure continuing access. That is a practical approach and it is what businesses want.

We cannot sit around hoping for the best while declaring difficult-to-achieve-positions in motions. The UK and Scottish Governments have a responsibility to do their very best to protect our economy. That means protecting the interests of business and of people. For example, we need to understand the impact on key sectors such as financial services. What work has the Scottish Government done to ensure that financial passporting arrangements continue? Without those, some of the functions and jobs that are enjoyed here in Edinburgh are likely to move to Germany or Luxembourg or Paris. We need practical action.

Members will forgive me for not joining in with the self-congratulatory tone of the motion, which says that the Parliament supports

“the Scottish Government's efforts to assist businesses”.

What do those efforts amount to? A trade board, which I welcome, and a doubling of the number of staff in Berlin, which is also welcome. However, are those the right things to do?

Let us look at the statistics. The value of our exports to the EU is £11.6 billion and to the rest of the world it is £15 billion. The value of exports to our biggest market, which is the rest of the UK, is £48 billion, which is more than four times what we export to the EU. That is not entirely surprising, because economists tell us that we export more to our nearest neighbours and that proximity matters. Why are we not looking at doubling the number of staff in America, China, India or Brazil? What about doubling the number of staff who are focused on the rest of the UK?

The statistics tell us something else that is contrary to what the cabinet secretary said. When the numbers were last published, our overall exports were down. If we dig a little deeper, we find that exports to Europe were down. In the Netherlands, which is the place in Europe to which we export most, exports are down by 22 per cent and they are down by 8 per cent to France and by 2 per cent to Germany. At the same time, our trade with the rest of the UK was up. Surely focusing exclusively on Germany is not the answer. Perhaps it is more down to politics than following the evidence.

The SNP's own figures confirm that remaining part of the UK single market is more important for Scotland's economy than being in the EU. Being part of the UK secures hundreds of thousands of jobs in Scotland, grows our economy and funds the public services that we all rely on every day. It is illogical for the SNP to spend so much energy making the exclusive case for the EU single market at the same time as campaigning to leave the UK single market, which is much more valuable to us. It is time for the SNP to accept that

tearing Scotland out of the UK would be economic vandalism on a scale that is at least four times worse than Brexit. That is why the SNP Government should focus on the practical things that it can do to protect jobs and the economy and not stir up more grievance.

It is too important for game-playing. It is about people's jobs, our economy and our children's future. If the Scottish Government is serious, it will have our support, but if it is making an excuse for another referendum, the people of Scotland will not forgive it.

I move amendment S5M-02488.3, to leave out from "supports the Scottish Government's efforts" to end and insert:

"further recognises the importance of Scotland's place in the UK single market and the opportunities for business and citizens; notes the Scottish Government's efforts to assist business in Scotland to secure new international opportunities; calls on the Scottish Government to expand opportunities for business in Scotland to the rest of the UK, and believes that the UK Government should seek to maintain Scotland's access to the single market and to retain the benefits that it currently derives from the EU customs union."

15:03

**Willie Rennie (North East Fife) (LD):** Today I will set out why the Liberal Democrats are opposed to a blank cheque Brexit, why we support a referendum on the Brexit deal and why any deal that is agreed will never be better than what we have right now.

The Conservative Government is in chaos over Brexit. I praise Murdo Fraser for his gall and nerve in standing up to claim that the SNP Government is in chaos when it is his own Government back home down in London that is in that position. We saw the briefing in *The Times* today. Although there seems to be a dispute about its origin, the fingerprints of civil servants seem to be all over it and it shows the harsh reality of the situation that we face.

Five months on from the Brexit referendum, this well-sourced, leaked document says that we potentially face another six months before we even begin to understand what this Conservative Brexit Government wants to do. It will be another six months before we even start debating Brexit based on sound information and a proposition—a whole year since the Brexit referendum. That is when we will begin the process. That will be a wasted year for jobs and opportunities in this country. I do not think that Murdo Fraser should criticise anybody else, considering the record of his own Government.

We also believe that we should set out why we are clearly better off within the European Union. I do not believe that any Brexit deal will be better

than what we have right now. The Institute for Fiscal Studies has made it very clear that

"Whilst any country has 'access' to the EU as an export destination, membership of the Single Market reduces 'non-tariff' barriers in a way that no existing trade deal, customs union or free trade area does."

Whether it is the Norwegian option or the Turkish, Swiss or World Trade Organization model, none of those is better than what we have right now. That is why I believe that we need to do everything that we possibly can to protect the United Kingdom's place within the European Union.

I firmly believe that we need to make sure that this Government is working extremely hard to get the best possible deal. However, we understand from the Conservatives that they are prepared to accept anything. It will be a blank cheque Brexit.

If there are job cuts, that is okay—the Conservatives will sign up. Higher tariffs? That is okay, as long as we are outside the European Union. Lower growth? The Tories are up for that too. European citizens' rights being ripped up completely? That is fine, no matter the effect on families here or abroad. No European health insurance card that protects the health of travellers? That does not matter. No European arrest warrant that delivers speedy extradition of criminals across the European Union? All that can go and it will not concern the Conservatives, as they have signed that blank cheque. Even Ruth Davidson, who previously described the leave campaign as full of lies, is signed up to that blank cheque approach and, I presume, accepts all the lies that were uttered earlier on in that campaign.

Although Ruth Davidson accepts it, at least Stephen Phillips has not. He is the Conservative member of Parliament who resigned over Brexit. He said that to leave the EU without consulting Parliament would be "divisive and plain wrong". He said that it would be

"fundamentally undemocratic, unconstitutional and cuts across the rights and privileges of the legislature".

What is more—and we should not forget that this man voted to leave the European Union—Stephen Phillips said that Britain would remain in the single market. That was the commitment that was given by all the political parties at the last general election. However, that all now seems to be in the trash bin. Stephen Phillips is against the Conservative Government's approach, as are a majority of people in a poll this week. They do not want a blank cheque Brexit. They are not prepared to sign up to just anything, which the Conservatives seem to be prepared to do.

The Liberal Democrats will oppose that blank cheque Brexit. We will not accept just anything. People voted for departure from the EU—that is true. However, they were denied the information

on the destination in the debate. To give credit to the SNP, in its independence referendum, at least we got the colossal, big white paper so people knew what they were rejecting when they voted. That is certainly the case. The paper was a bit repetitive and a bit boring. Nevertheless, people knew exactly what they were rejecting when they voted. [*Interruption.*] I kept the SNP members on side until that point.

That was not true of the Brexit referendum. We did not have a clue about the deal.

**Adam Tomkins (Glasgow) (Con):** It was not Government policy.

**Willie Rennie:** Exactly. It was not Government policy but they have now swallowed it hook, line and sinker—every single bit of it—and that is letting Britain down.

We need to make sure that we have a Brexit deal referendum so that people can have a say on whatever deal is agreed at the end of the day. We will, in the House of Commons and the House of Lords, refuse to trigger article 50 unless that guarantee is forthcoming: no referendum, no support for article 50. My amendment challenges every party in the chamber that proclaims its support for the single market and the benefits of a close relationship with Europe—if that party believes in democracy and the right of people to have a say on the final destination—to encourage every single one of its representatives in the House of Commons and House of Lords to back an amendment to the legislation.

There are around 50 SNP MPs in the House of Commons and the burden of responsibility will be on them too. Nicola Sturgeon said that she is prepared to consider all options. I hope that she will consider this option too and encourage her party's members of Parliament to back a Brexit deal referendum.

If there is no referendum on a deal, I think that the British people will demand that Government changes its mind so that we can have a proper, democratic debate on the destination.

I move amendment S5M-02488.1, to leave out from first "Scotland's place" to end and insert:

"the UK and Scotland's place in the single market; considers that voting for a departure is not the same as voting for a destination, and, with the ongoing contradictions and absence of any certainty within the Brexit Conservative administration over issues, including the single market, calls on the UK Government to agree to a referendum on the final terms of the deal that it negotiates and for all Scottish MPs in the House of Commons to vote against the triggering of Article 50 unless this is guaranteed."

15:11

**Bruce Crawford (Stirling) (SNP):** Previously, I had a reasonable degree of confidence that our economy would continue to grow, but I confess that some of that optimism was based on the UK remaining in the single market. If I needed a reality check on the prospects for the economy, the paper that the Institute for Public Policy Research provided in advance of tomorrow's Finance and Constitution Committee meeting would be it. The IPPR projects that, as a result of the Brexit vote, increased inflation will lead to a growth shock and an estimated further black hole of £25 billion in the public finances.

As Professor Graeme Roy, the director of the Fraser of Allander institute, has pointed out, the long-term structural effects of Brexit will certainly impact on Scotland. Professor Roy's most concerning piece of advice is that, even with the most positive economic forecasts and if Scotland retains single-market status, the impact of Brexit will still be negative for the Scottish economy.

As I am sure colleagues are well aware, that is only the good news in this sorry tale. Professor Roy's most negative economic projection, which would see Scotland facing a hard Brexit outside the single market, paints a very worrying outlook. Professor Roy estimates that, in that scenario, our gross domestic product will fall ultimately by 5 per cent more than it would have done if we were still a member of the European Union.

As the Fraser of Allander institute has shown, a hard Brexit would mean that we would revert to the WTO model, which could—as the cabinet secretary outlined—put at risk up to 80,000 jobs in Scotland alone. The institute has rightly pointed out that, outside the European single market, we will be exposed to the harsh effects of globalisation from which we have previously been sheltered.

It is our duty in this Parliament to represent the best interests of the people who live in Scotland on matters relating to the economy, and we must scrutinise robustly any policy that would impact on the Scottish economy.

**Neil Findlay:** I am sorry to interrupt Bruce Crawford's tales of woe, but does he really believe that Scotland has been sheltered from the impact of globalisation? Is that really what he is saying?

**Bruce Crawford:** No, that is not what I was saying—

**Neil Findlay:** But he concurs with that view.

**Bruce Crawford:** If Mr Findlay would listen to what members said in the chamber, he might actually pick something up. That is not quite how I said it. I will go on to explain some of what I meant.

It can be no surprise that many of us feel very strongly, for very good and sound reasons, about Scotland remaining in the single market. We are a fantastic country of 5 million innovative and resourceful people on the western periphery of the European Union. For the past 40 years, as part of that union, we have developed to become its 12th largest economy, and our membership ensures that—as the cabinet secretary said—we have access to a market of more than 500 million consumers. It is clear that our ability to participate in free trade in the EU has been absolutely invaluable to Scottish business. Our membership of the single market provides an opportunity for us to compete with our fellow EU countries on a level playing field. Every business has the right to free trade, and such discrimination-free competition has been healthy for the Scottish economy, as it has challenged us to innovate and to drive up our growth.

Leaving the single market brings a real threat of tariffs and other trade restrictions, such as safety requirements, compulsory manufacturing processes, different licensing processes and intellectual property obstacles. Even more important than tariff-free trade is the common regulation and standards that enable firms to sell goods and services freely to that market of 500 million people.

I am slightly confused about Labour's position today, so perhaps someone can clear up my confusion, because it might just be me. In its amendment, the Labour Party talks about access to the single market but, on five occasions since June, it has voted for motions that clearly say that maintaining membership of the single market is the key issue. There may be a bit of nuancing going on that I do not really understand. The European Economic Area provides for the free movement of persons, goods, services and capital within the European single market. The EEA was established in 1994 and the EEA agreement specifies that membership is open to member states of either the European Union or the European Free Trade Association, so I am not persuaded by Labour's argument, unless somebody can explain to me what has changed in the meantime.

If the Westminster Government seriously intends to remove the UK and, therefore, Scotland from the single market, it has a duty to provide us with its alternative plan. What is it to be: a customs union, membership of the European Economic Area, access to the EU's free-trade arrangements or simply leaving us exposed to World Trade Organization mechanisms? It is pretty clear that the UK Government has no plan.

If Scotland is to be taken out of the EU against her will to face the inevitable economic

consequences, we should certainly have the right to influence and shape the UK's negotiating position. We cannot be kept in the dark any longer. To do that would be to treat Scotland with utter disrespect. Therefore, in all seriousness, I urge the UK Government to properly include Scotland in the negotiations and to give serious consideration to our viewpoint.

Like the cabinet secretary, I ask all members in the Parliament to unite at decision time to support the Scottish Government's motion. A united Scottish Parliament will give us the best chance of securing Scotland's place in the single market. It is time to put Scotland first.

15:17

**Liam Kerr (North East Scotland) (Con):** I am delighted, yet again, to speak in our weekly EU referendum—insert topic here—debate. It is, of course, vital that, in Scotland's Parliament, we discuss issues of importance to the people of Scotland, and I acknowledge that the democratic decision of the British people to leave the European Union, the sort of deal that the UK might strike and what that might mean for open borders, trade, investment and security are important questions. However, I wonder whether it requires nigh on three hours a week, every week, debating, in essence, the same thing, while the Scottish Government fails to set out what it is looking for and Scotland faces multiple challenges—with regard to our national health service, schools, college places, common agricultural policy payments, economic performance and the systematic fleecing of the north-east's council tax—or whether we might, in time, get round to debating a Government bill.

The single market is simply a function of the principal objective of the EU, which is to make war in Europe impossible through a common system of law and making member states' economies completely interdependent. That process has been expanded to include the establishment of common currency and fiscal policies and joint action in international trade negotiations. The result is free movement of goods, people, services and capital through the removal of barriers to trade such as tariffs or taxes on imports.

For well over 40 years, the Conservative Party has fought for free trade. Keith Brown was clear about how much he admired Mrs Thatcher, who fought for

“action to get rid of the ... customs barriers and formalities so that goods can circulate freely and without time-consuming delays ... to make sure that any company could sell its goods and services without let or hindrance ... to secure free movement of capital”.

We believe that free trade increases wealth and opportunity, which is why we welcome the work of

SDI and the Scottish Government's proposals for trade hubs within Europe. I hope that the Scottish Government also backs the UK Government's efforts to build better trade relations with India, China, New Zealand, Turkey and Colombia.

**Ash Denham (Edinburgh Eastern) (SNP):** On the trade deals that everyone is so keen on talking about with America, India, China and other countries, does the member accept that many experts say that such deals will take a decade or even two decades to negotiate?

**Liam Kerr:** The EU trade deals take much longer. I refer Ash Denham to the *Official Report* of this morning's meeting of the Economy, Jobs and Fair Work Committee, at which such matters were discussed in depth. She will find the answers to her question there.

Contrary to popular belief, the single market is not complete; it remains in flux. Much single-market legislation remains to be implemented in member states, several states exploit loopholes and still more have discovered new ways to protect domestic industries. The French ban on British beef, which was imposed in 1996, was lifted by the European Commission in 1999, but it took until the end of 2002 for British beef to be back in France. The French state's stake in the energy industry has led to the virtual exclusion of energy from the single European market, to date. Many of the more intangible barriers to the four freedoms remain, such as the lack of mutual recognition of academic and professional qualifications, the need for product certification and import licences, persistent protectionist attitudes and, of course, divergent fiscal regimes.

The idea of a true single market is therefore a chimera. Different countries have different relationships with it, and mourning its loss through loss of EU membership, instead of working constructively to access it, helps no one.

What will our relationship to the single market look like following the negotiations? That is difficult to predict. Perhaps there will be full access to the single market, as Norway has, or another relationship, with almost full access to the single market for goods but much more restricted trade in services, such as Canada has. Perhaps there will be a Swiss-style relationship.

It is doubtful that the EU will want to reintroduce trading tariffs with the UK when German cars, French wine and Italian shoes are pushing the UK trading deficit on goods with the EU to record levels—some £24 billion a quarter.

However, for completeness, let us say that we withdraw from the EU without agreement. What then? As we have heard, World Trade Organization rules would apply, because the UK and EU are both WTO members in their own right

and the WTO specifies that WTO members must offer each other most-favoured nation deals. For that reason, Scotch whisky will not face a tariff on exports to the EU and will continue to benefit from existing zero tariffs, for example in the United States, Canada and Mexico. In many markets that currently demand high tariffs, such as India, Brexit will not make the situation worse, and perhaps the UK will no longer be subject to EU excise duty or VAT.

For all those reasons, our amendment asks the Parliament to support the UK Government in securing a positive EU relationship and to welcome the opportunities that are presented.

There is one single market—one union—that is even more vital to Scotland than the European one is, and that is the single market that exists within the United Kingdom. Scottish exports are valued at around £76 billion, of which exports to the EU account for £11.6 billion. Some £48.5 billion is generated for Scottish business as a direct result of tariff-free exports to the rest of the UK. It is the UK economy and UK links that are more important to Scotland's interests.

Our amendment is clear: we are saying to the Scottish Government that it should not put access to that UK single market at risk. We ask it to work positively with the UK Government to deliver the best outcome for Scottish businesses and consumers and to move forward, not in fear or uncertainty, but with hope and opportunity.

15:23

**Ash Denham (Edinburgh Eastern) (SNP):** It is unfortunate that the UK Government has lost touch with reality, as was demonstrated recently when a citizen-led foray forced the Prime Minister, via a court judgment, to consult her own Parliament over the details of Brexit.

The advisory vote to leave the EU provided no details on what Brexit would look like, and the UK Government has very little in the way of a clear mandate from leave voters, who might have voted for different and even contradictory post-EU-membership models.

Citizens, businesses and both Parliaments agree that the Brexit plan must be fleshed out. Is the Brexit mandate for EEA or EFTA membership or for bilateral deals such as Switzerland has? Who knows? What we know is that Scotland voted clearly to stay in, in order to protect jobs and trade, inward investment and travel and study opportunities.

Clarity from the UK Government must now be a priority. Now is not the time for coyness. Business after business, in a variety of sectors, has been giving evidence to the Economy, Jobs and Fair

Work Committee's inquiry into Brexit impacts, and many of them have been saying exactly the same things. They say that the complete lack of information coming from the UK Government means that they are in wait-and-see mode—a holding pattern; that their expansion plans are on hold; that investment decisions are being postponed; and that the very viability of their business will be put at risk if EU nationals are not available as staff. That is the climate that Brexit has created for businesses, and CBI Scotland concurs, warning of a

“serious deterioration in business sentiment”

and that Scottish businesses have put their investment plans on hold.

A recent survey for the Centre for Economics and Business Research found that nearly half of large companies had cancelled investment plans since July—that is £65 billion of investment that has been abandoned since the vote in June. The negative impact for Scotland of not being in the single market is huge. The Fraser of Allander institute has predicted that a hard Brexit would cost Scotland 80,000 jobs. IPPR Scotland forecasts that the Scottish Government's budget could be cut by up to £1.34 billion per year over the next four years due to lower growth and tax receipts following Brexit. Figures from the National Institute of Economic and Social Research suggest that Scotland's exports could fall by £5 billion if we fail to retain access to the single market. I do not think that the Tories would normally consider themselves to be anti-trade or anti-investment. However, if the reports that we are hearing are correct and we are heading for a hard Brexit, an astonishing act of economic self-harm is about to be inflicted by the Conservative Government on this country.

While the UK continues to mismanage this crucial period, jobs, trade opportunities, research collaborations, investments and more are draining out of our economy. Even once the UK Government settles on a negotiating position, the size of the task ahead and the sheer complexity of exiting the EU and negotiating a new relationship seem to be beyond some members of the UK Cabinet. Liam Fox charmingly thinks that we are in a “post-geography trading world”. I am not sure that the WTO would agree with him.

Just one example of the current mishandling is the Nissan deal, or the letter of intent. Assurances should not be given like that on a case-by-case basis. Any sector-specific deal is, according to Dr Margulis of the University of Stirling,

“not likely to be WTO compliant.”

Renegotiating trade agreements with the EU and the other 50 countries with which the EU has preferential free-trade agreements is a mammoth

undertaking. It will take a decade or maybe two decades just to get back to where we are now. The UK is also, as Jackie Baillie said, seriously lacking in the capacity to negotiate, not having done these types of deals since the 1970s. In addition, I cast doubt on the position that the Conservatives in this chamber maintain that the new trade agreements will somehow be a case of pick and mix, with the UK holding a large paper sweetie bag. The reality is likely to be very different. Dr Margulis said:

“nobody is getting in line to sign trade deals with the UK—globally, it is not such an important economy and the UK is not the country that most other countries are lining up to trade with. There must be some realism about where the UK sits in the global picture.”—[*Official Report, Economy, Jobs and Fair Work Committee*, 1 November 2016; c 39 and 58.]

**Liam Kerr:** Will the member take an intervention?

**The Deputy Presiding Officer (Christine Grahame):** The member is in her last minute.

**Ash Denham:** I will.

**The Deputy Presiding Officer:** I am afraid that, because you are in your last minute, you will lose time for the intervention.

**Ash Denham:** Okay.

**Liam Kerr:** How does Ash Denham answer the President of Colombia, who said only last week that he is

“ready to simply have a free trade agreement with the UK and have the same conditions or even improved”?

**Ash Denham:** The experts are telling us that these deals will take decades to negotiate. Does the member not accept that the UK Tories are an utter shambles on the issue? They have no plan after five months and have no plan for the next six months if the leaked memo that was published this morning is to be believed. Scotland really does deserve better than having the three Brexiteers in charge at Westminster.

The UK Government must get a grip on the realities that we face at the moment: the risks to trade and the effects that Brexit will have on our economy. Scotland did not choose to be in this situation, but our vital interests are now at stake. I ask the Parliament to get behind protecting Scotland's place in the EU.

15:30

**Neil Findlay (Lothian) (Lab):** I found the debate around the EU referendum—indeed, the debate post the EU referendum—pretty depressing. All of it has been about Scottish exceptionalism and why we are not like those bad folk in England and Wales who voted to leave the wonderful EU, which has brought us so many

riches and eternal happiness. It is a debate that is so far from reality that it is painful to observe. Little of it has been about the material reality on the ground for ordinary people.

Of course the Tories are clueless, but we have had a series of non-debates to speculate on what might happen and to raise the latest round of scare stories. The Cabinet Secretary for Justice recently claimed that the UK would become a haven for criminals, while Stuart Donaldson MP said that we would not be able to watch Netflix and that young people would be deterred from having a holiday in Magaluf or Zante. It would take much more than Brexit to deter the young people I know from going on holiday. We have heard that there will be a jobs crisis, a housing crisis and an investment—

**Stewart Stevenson (Banffshire and Buchan Coast) (SNP):** This is not my figure, but it has been suggested that the price of visas for our young folk to travel to Magaluf et al will be £120 million a year. If that is true, is it likely to be a disincentive?

**Neil Findlay:** I am sure that, tomorrow, the figure will be £350 million a year, because that is the level of the debate that we are involved in—it is a case of throwing up another figure or another scare story and moving away from the reality of what people are experiencing on the ground at the moment.

I have heard people say that there will be a jobs crisis. It has been mentioned that 80,000 jobs might be lost, but 80,000 jobs have been lost in local government in Scotland and not a tear was shed by any SNP member. I have no doubt that there will be difficult times ahead, but the holding of endless diversionary debates to take our attention away from the Government's failings on health, education and local government discredits the Parliament. Let us blame someone else; whatever we do, let us not focus on the here and now and the issues that the Parliament has responsibility for.

On the single market, 14 countries across the EU have unemployment rates of higher than 20 per cent, and Greece and Spain have unemployment rates of almost 50 per cent. Is the munificence of the single market delivering for our Spanish, Greek, Croatian and Italian young brothers and sisters? I think not. Has the single market delivered for the young Poles and Lithuanians who have been forced to leave their homeland and their roots to try to make a living, or for the Romanian women whom I speak to in the morning on my way to the Parliament? Has it delivered fair pay and employment conditions for all workers across the EU?

The driving force within the single market is not a social Europe; it is a neo-liberal Europe. It is a Europe that puts competition rather than co-operation at the heart of policy and which forces competitive tendering that is heavily weighted in favour of price competition rather than social value or benefit. Forced tendering lowers costs, which in turn lowers wages and cuts conditions. Members need look no further than this place. When I first came here, canteen workers, cleaners and maintenance staff were paid below the living wage and had little protection against sickness and illness on the basis of a contract that had been won under EU single market rules. Where is the understanding or critique of any of that in the debates that we have had? Where is the demand for reform of the single market that produces those results?

The truth is that, despite the efforts that have been made, the EU and many of its component parts have too often acted as an impediment to progressive policy making and legislation. Whether we like it or not, as it is currently formulated, the EU, along with its single market, reflects the wishes of capital markets, speculators and bankers more than it reflects those of working people.

That was evident when we considered the Public Bodies (Joint Working) (Scotland) Bill. At stage 3, I sought to amend the bill such that companies would have to pay their workers a living wage. The then minister, Alex Neil, said:

“Neil Findlay’s amendments would not do what he said he wants to do ... Had the European Union’s Lisbon treaty allowed it, the Procurement Reform (Scotland) Bill would have incorporated a provision whereby the providers under every public contract would have had to offer the living wage before they could even be considered for the tender. When we took advice, we were strongly advised ... that that was ... unacceptable under the terms ... of the Lisbon treaty.”—[*Official Report*, 25 February 2014; c 28088.]

Despite the fact that the Opposition wanted it, the minister wanted it and, presumably, the Government wanted it, this Parliament was prevented from accepting that piece of progressive legislation because the EU told us not to—yet I have not heard a single word of criticism of such rules from the Government or a demand for the single market rules to change.

That was a terrible decision for the workers involved, but it was also a terrible day for our democracy because the wishes of the Scottish Parliament were blocked by the rules of the single market, which so many people champion. Why would we want to remain part of that system? We should be arguing for a reformed single market that allows and encourages progressive social and economic policy and does not block it. We need access to a reformed single market that allows state aid, public ownership—let us start with

ScotRail—and conditionality in public contracts so that we can protect jobs and communities, end tax avoidance and demand fair working practices from companies such as Amazon.

However, I hear none of that from the Scottish Government; I hear only a continued and intensified acceptance of neo-liberal orthodoxy and single market rules, complemented by a EU-wide austerity agenda that has caused so much economic havoc across Europe. The failure to understand that and address the needs of our communities feeds racism and xenophobia across the continent. If left unaddressed, it will lead to the break-up of the European Union.

**The Deputy Presiding Officer:** I must ask you to wind up, Mr Findlay.

**Neil Findlay:** I find it incredible that the Government is trying so hard to remain part of the EU single market while at the same time trying so hard to leave the much bigger UK single market.

15:36

**Richard Lochhead (Moray) (SNP):** As Murdo Fraser said at the beginning of his speech, it is Tuesday and therefore time for another debate in the Scottish Parliament on Brexit. I was a bit confused: he said that the SNP was debating the issue only to distract attention from domestic issues, but then spent most of his speech attacking the SNP as a distraction from speaking about Brexit. However, he then changed his mind, saying that it is good to talk about Brexit because it is important. That was in tune with Jackie Baillie's comment that Brexit is the biggest issue that we face today, especially in maintaining—to use her term—access to the single market. However, she then went on to make the case for Brexit, which I thought was a bit strange and shows the Labour Party shifting its position, unfortunately. I hope that that will not happen at decision time.

I was puzzled by Neil Findlay's disappointment. He lamented the fact that the debate that we are having north of the border is different from the debate south of the border. Clearly, there is a distinction between the debate north of the border and that in the rest of the UK, because 62 per cent of Scots voted to remain in the European Union. Brexit is a massive issue that is about respecting the democratic wishes of the people of Scotland.

**Neil Findlay:** I make no comment on this other than to ask whether the member thinks that if we were faced with the same circumstances and the same levels of migration as people face in England and Wales, we would have ended up with the same result.

**Richard Lochhead:** The job of the Scottish Parliament is to respect the wishes of the people of Scotland and to fight for Scotland's national interest, which is why we have a Scottish Parliament and Government. As Jackie Baillie said, Brexit is one of the biggest issues that we face in Scotland today.

As well as this being another Tuesday and another debate on Brexit, it is just another day, which means that, as we do every day, we have more headlines about the chaos at the heart of the rudderless UK Government. It is a divided Government, riven by in-fighting and confusion. Some of today's headlines about the memo are quite staggering. One paper said:

"Whitehall is working on more than 500 Brexit-related projects and could need to hire 30,000 extra civil servants",

and the Government

"may need another six months to decide on its priorities".

The memo itself is quoted:

"It is likely that the senior ranks in the civil service will feel compelled to present potential high-level plan(s) to avoid further drift ... Departments are struggling to come up to speed on the potential Brexit effects on industry. This is due to starting from a relatively low base of insight and also due to fragmentation."

Of course, the killer paragraph in the leaked memo is the last one, which says:

"Industry has 2 unpleasant realisations—first, that the Government's priority remains its political survival, not the economy"

and

"second, that there will be no clear economic-Brexit strategy any time soon because it is being developed on a case by case basis as specific decisions are forced on Government."

We have utter chaos and a huge vacuum in leadership from UK ministers and the UK Government. They have turned the UK into a laughing stock. We are now left with this Brexit boorach, and I commend the Scottish Government and Scottish ministers for working hard to protect our national interests.

As I said, Scotland voted to remain, and the economic benefits of EU membership will have been a big feature of the thinking of those in Scotland who voted to remain. I expect—this is an important point to consider in the debate—that most of the 38 per cent of Scots who voted to leave the EU did not expect that we would now be heading towards a hard Brexit, yet with each day that passes, a hard Brexit looks increasingly likely as the outcome of the UK voting to leave. Even more worryingly, it looks as if it is the preferred option of many UK ministers.

Given the lack of UK strategy and the political divisions, it is clear that the EU now holds all the



cards, and a hard Brexit is, in effect, becoming the default position. The UK Tories do not want to be seen as weak on immigration, and EU leaders will not want to see the UK getting a good deal, because that would set a bad example for other populist movements in Europe. Therefore, it seems—unfortunately—that we are heading towards a hard Brexit.

It is also worrying that we now seem to be facing a Tory party and some right-wing commentators who are more excited by prospects across the Atlantic than those across the English Channel or the North Sea. Since last week's Brexit debate, we have had the election of Donald Trump as US President. It is really important that we have these debates in the context of what is happening globally. John Bolton has now been tipped as Donald Trump's Secretary of State. He wants to take on Russia, Iran and China, which represent about 20 per cent of the world's economy.

To have security here in Scotland, it is really important that we maintain links to the European market, given what is potentially going to happen to the global market. We do not have the luxury of being able to turn our back on any markets in the world given our dependency on exports and the employment position. The outlook for world trade is perhaps quite uncertain as well, and that is why we need the security of the European market.

The food and drink sector is very important in my constituency. I know that companies are watching the debate closely and will be watching where we go on maintaining our links with the European market. Some 30 per cent of the exports of Walker's Shortbread, which is based in Aberlour in my constituency, go to Europe, and it is understandably concerned about what the future holds if we break our links with the single market. Other members have spoken about common regulations, and we also need to consider customer reactions in Europe. Will European consumers be less likely to buy Scottish or UK products because we are walking away from the single market? That is a real concern for many food and drink producers in Scotland, and we have to heed it.

We need membership of—and not just access to—the single market because Walker's and many other businesses in my constituency and in other members' constituencies rely on EU nationals to plug skills gaps and for labour purposes. Primary sectors such as fishing and farming also rely on EU nationals. That is why the free movement of people, which is one of the four key freedoms, is so important, and it is why I make a plea to the Labour Party to vote today for membership of the single market and not just access to it.

**The Deputy Presiding Officer:** Thank you. You must conclude.

**Richard Lochhead:** I urge ministers to continue to fight for Scotland's national interest and ensure that we maintain membership of the single market.

15:43

**Patrick Harvie (Glasgow) (Green):** I am happy to have the opportunity to take part in the debate, not least because of the very many commitments that Brexit campaigners made during the referendum campaign about the single market, which was not something that we needed to worry about losing our participation in. Since the referendum result, many of them have continued to say that we will remain part of the single market. Murdo Fraser criticised the Scottish Government, saying that he is sure that it knows that it is meaningless to be in the single market and outside the EU. I can only assume that he was also referring to Ruth Davidson, who pretty much said that the same thing should be the priority within days of the referendum result.

**Murdo Fraser:** I have to correct Mr Harvie. Ruth Davidson was campaigning for us to retain our membership of the EU and of the single market because she is clear, as we are, that those two things go hand in hand. We cannot separate the two.

**Patrick Harvie:** Since the result was announced, Ruth Davidson has agreed that one of the priorities should be to remain in the single market with free movement. To be frank, I think that that position—that we should be inside the single market and outside the EU—is bizarre, because the only thing that would change, as Jackie Baillie rightly said, is that we would lose our participation in the democratic process that determines the rules of that market. That is very relevant to Neil Findlay's speech, some of which I agreed with and some of which I disagreed with. However, it has been the most substantive speech that we have heard this afternoon.

The pillars of the single market are not just a common approach to competition law; they are common approaches to regulation, to external tariffs and to the free movement of not just capital and goods and services, but people. The endeavour is inherently co-operative. That is not to say that I agree with every decision that has been made in the single market or with every policy position that it has taken. However, seeing the value of a system that has protected people's rights in the workplace and their rights against exploitative businesses in the marketplace, and committing to protecting that for our citizens—not just for our businesses—have absolutely nothing to do with so-called Scottish exceptionalism. The approach recognises that the framework is flexible enough to encompass reasonable debate about the balance between a free-market ideology and

the proper role of Government in regulating the market in the interests of the common good.

**Neil Findlay:** Where has the ethos of co-operation been for the 50 per cent of young people in Greece and Spain who are unemployed and the young people in Croatia, Italy and all the rest of the 14 countries that have unemployment rates of over 20 per cent?

**Patrick Harvie:** I think that Neil Findlay is talking about aspects and decisions that he and I would agree on condemning absolutely. However, that is not to say that there has been no value to people in those countries, or to people in Scotland, in their ability to move freely within the single market and to decide where they want to sell their labour. Labour is the most valuable thing that most people have to trade in the single market. Most people are not businesses with the ability to make profit by trading anything other than their own labour. There is real value in those things.

A contradiction has developed within the Tory Government. Ideological advocates of deregulation, small government and free trade now want to restrict where people are permitted to sell their labour. That position is unresolvable.

Leaving the single market will not have the consequence of a return to some of the more socially just approaches and a proper approach to the Government's role in regulating the market, as Neil Findlay and I might want. One consequence will be a threat to hard-won regulatory standards and to people's freedoms in an environment in which far too many people are now almost adopting the language of the vile spiv who has just been elected on the other side of the Atlantic. I think that they have been reading his book on the art of the scam. They will just say, "We'll have more deals and better deals—they'll be the best deals ever," as though free-trade deals are the only things that we need to achieve with the challenge of leaving the single market. That will simply increase the race to the bottom and towards an ever more deregulated and exploitative free-market ideology. It will not achieve the proper response to some of the justified anger that Trump and some of the Brexiteers tapped into—and some of the arguments that Neil Findlay tapped into. Anger about the negative consequences of a free-market ideology that has been dominant for too long is justified.

The Prime Minister's speech at the Lord Mayor's banquet demonstrated an astonishing degree of disconnect. It seems that she has only just encountered the revelation that decades of free-market mania and ever-lower taxes for the wealthy and corporations have led to chronic inequality. It is clear that she will never offer a progressive response to that reality. Instead, she is simply

throwing her lot in with the fashion for self-destructive and xenophobic responses.

I will support the Government's motion. I am not able to support the Conservative amendment or the Labour amendment. I can see the case for the Liberal Democrat amendment and I can understand why my colleagues in the Green Party of England and Wales, who represent people who voted by a majority to leave the EU, are also open to the idea of a second referendum on the terms of the deal, but I do not think that it is the place of members of the Scottish Parliament, representing people who gave them a mandate to remain, to make that case.

**The Deputy Presiding Officer:** I am sorry that we are so short of time, but I remind members that if they go over their time allocation they cut the time of lots of other people.

I call Gil Paterson, to be followed by Alexander Stewart. Mr Stewart and the speakers following him will have five minutes.

15:49

**Gil Paterson (Clydebank and Milngavie) (SNP):** On 9 June, a Conservative MSP appeared alongside the former Chancellor of the Exchequer, George Osborne, when he highlighted a Treasury analysis suggesting that unemployment could rise by about 43,000 in the two years following a Brexit vote. That MSP said:

"Thousands of Scottish jobs are reliant on the exports we sell within the EU. I'll be voting to remain in order to ensure we can create thousands more"—

that is thousands more jobs—

"over the coming years."

On 22 June 2016, the same Conservative MSP said that if the UK were to leave the EU the rest of the EU would impose tariffs and taxes. If we swing forward only a few months, the same MSP—post referendum—is saying that we need to make Brexit work. The MSP now talks about the opportunities of Brexit, despite the evidence mounting of the potentially huge damage it threatens to jobs, to investment and to Scotland's economy as a whole. That MSP is none other than the leader of the Scottish Tories.

In the referendum, Scotland overwhelmingly voted to remain in the EU. Every local authority said remain, including local authorities that contain Conservative constituencies. The Scottish people have spoken, so why is this so-called Scottish party not listening? Why is it abandoning what it stood for pre referendum? Why have party members become born-again Brexiteers? They should try and explain that one to the country. How much more does it take to convince the Tories what the people of Scotland want? Is 62

per cent now not good enough? I remind the Tories that Scotland is an equal partner in this United Kingdom—the union that they strive to defend and to protect.

There is no doubt that Scotland is and remains an attractive and stable place in which to do business, but the referendum outcome presents a significant challenge to our economy. As I mentioned, even the former Chancellor suggested that unemployment could rise by about 43,000 in the two years following a Brexit vote, but—as many members have said—according to the Fraser of Allander institute's paper, a hard-right Tory Brexit threatens to cost 80,000 Scottish jobs and to cost Scotland's economy up to £11 billion a year by 2030. Those figures can be put into context when we consider various businesses and associations' concerns about the effects on losing access to the single market.

As a member of the Economy, Jobs and Fair Work Committee, I recently heard the food and drink industry's concerns. It identified three top issues, the first of which was on trade. The industry highlighted that about 76 per cent of all the food that is exported from Scotland and goes out of the UK goes to the European Union, and emphasised that continued access to the European market in as pragmatic, tariff-free and sensible a way as possible must be a priority for us all to achieve.

The second issue was access to labour. About a third of our food manufacturing workforce comes from the European Union. The committee heard that reassurances to the existing workforce and on-going access to the EU workforce after Brexit are crucial to achieving the ambitions for further growth.

The final issue was access to funding and what that might mean for agricultural support in particular. The committee understands that about £400 million to £500 million is paid directly to farms through EU funding, and that another £300 million to £350 million is paid through rural development measures. That supports much of the raw materials that go into food and drink manufacturing.

The people of Scotland voted overwhelmingly to remain within the European Union, and it is vital that any Brexit negotiation acknowledges and respects that choice. I welcome the fact that, by the end of this year, the Scottish Government will bring forward its own detailed proposals to protect Scotland's interests. I expect all Scottish parties to at least be supportive of protecting Scotland's interests. I commend the cabinet secretary's motion to the Parliament.

15:55

**Alexander Stewart (Mid Scotland and Fife)**

**(Con):** I am pleased to have the opportunity to discuss the issues surrounding the single market and international trade. Earlier this year, the people of the United Kingdom, which is the member state of the European Union, made a collective decision to leave the EU. Momentous decisions are now being made and a plethora of information is coming forward. There is a real opportunity for Scotland. Scotland has a world of opportunity as we move forward.

While the UK Government has begun the process of making preparations for our eventual departure from the European bloc, our First Minister has only postured. European leader after European leader has dismissed the First Minister's opportunistic pleas to negotiate with Scotland bilaterally and they have made it clear that it is solely the UK that is the member state. At the same time, the new UK Government has been actively engaged in forging new trading relationships with countries around the world. For example, the recent trade delegation to India secured £1 billion-worth of business, which is very much to be welcomed. UK Export Finance has committed £1 billion to support trade with Colombia, and the Chancellor has agreed new deals that will help to increase trade between the United Kingdom and China. Those are all very good stories that are happening now.

In stark contrast, the Scottish Government has said little or next to nothing about its proposals for future Scottish trade with countries round the world. We on the Conservative benches welcome the announcement from the Scottish Government about increasing staff levels in Scottish Development International and the creation of new trade hubs, but much more can be done beyond that.

I have made it clear in the chamber before that the most important single market for Scotland is the United Kingdom, to which we export more than four times as much as we do to the European Union. A fact that is not often heard in political discourse is that we export more outwith the EU than within it. Although 15 per cent of our exports go to the EU, 20 per cent go to other nations. That reflects the changing dynamics of the economic strengths of countries round the world. The European Union has continued to grow in membership, but its share of the world's gross domestic product has shrunk. In 1980, the nine member states accounted for about 30 per cent of the world's GDP, but now we have 28 member states and they account for 16.5 per cent of the world's output.

**Tom Arthur (Renfrewshire South) (SNP):** On the differences in relative GDP, does the member

not think that that might have something to do with the rise of China and India in the intervening period?

**Alexander Stewart:** There is no doubt that there have been rises across the world, and we are tapping into those. I want us to continue to ensure that we develop across the world, and that will take place when we are no longer part of the EU.

The Scottish Government has what can only be described as an illogical obsession with the European Union that is regardless of the impact on the economy. The SNP is obsessed with the process. People would think that nobody in Scotland voted to leave, but that is not the case. We know the facts about the number of people who voted. We are aware that a number of people in the SNP voted to leave, including a number of MSPs. The SNP has to start to take cognisance of that and understand where we are going.

**Gil Paterson:** Will the member give way?

**Alexander Stewart:** No. I am sorry, but time is tight. I have already taken one intervention and I want to continue.

One of the success stories as we continue to move forward is on exporting to the United States of America. Between 2004 and 2014, our exports to the US rose from £2.4 billion to £4 billion, which is an increase of 67 per cent. The trade deal between the US and the UK was extremely important. After recent events, we can look forward to continued processes with our friends across the pond.

**Michael Russell:** Will the member give way?

**Alexander Stewart:** No—I think that I am in my last minute.

**The Deputy Presiding Officer:** The speaker is in his last minute, indeed.

**Alexander Stewart:** If members listened to the rhetoric of the Scottish National Party, they would believe that nobody voted to leave. We must remember that Parliament should represent the views of the Scottish people, and it is very important that we do that.

Last week, the First Minister stated that while the outcome of the presidential election was not what she wanted, she would respect it. That contrasts with the position whereby she is not prepared to respect what is happening with the EU referendum. She has now even jumped on the bandwagon of using the courts to frustrate the democratic will of the British people; I find that totally unacceptable.

To conclude, the First Minister, her Minister for UK Negotiations on Scotland's Place in Europe and her Government should look at the new

opportunities that the powers bring to Scotland to do all we can to develop strong trading relations with countries around the world.

16:01

**Stewart Stevenson (Banffshire and Buchan Coast) (SNP):** I start by saying gently to the absent Neil Findlay that it is not helpful to suggest that anyone here would describe our friends and neighbours south of the border as “nasty people”. My English relatives and my friends in England remain my friends however they may have voted on whatever subject. Indeed, my American relatives and friends also remain friends. Such intemperate language devalues and contaminates his broader arguments.

We have heard from almost everybody on the Conservative benches, and from Jackie Baillie, numbers about Scotland's exports to England. Let us examine where those numbers come from and what credibility we should place on them.

I start with a paper that was produced by the previous Labour-Liberal Executive in 2005. Regarding those numbers, it says:

“The main difficulty arises because taxes are collected at the UK level, and also since Scotland is a region of the UK ... there is no legal requirement for companies to report financial information at sub-UK level”.

It goes on to say that the global connections survey is difficult

“for both practical and conceptual reasons”.

It is difficult to say where things are exported.

**Jackie Baillie** *rose*—

**Stewart Stevenson:** Let me continue—I may give way if time permits.

I turn to 2013, and a paper that the UK Government produced in the run-up to the referendum in 2014—“Scotland analysis: Business and microeconomic framework.” Indeed, that paper quotes the £45.5 billion. I am prepared to agree, by the way, that the figure probably has 11 digits in it; that is probably correct. If we look one paragraph below, there is a neat little footnote that says that it may be

“£35.651 million lower than the estimate ... in Scotland's Global Connections Survey”.

**Jackie Baillie** *rose*—

**Stewart Stevenson:** I have another four to do before I get there.

**Jackie Baillie:** I am patient.

**Stewart Stevenson:** That footnote illustrates precisely the imprecision about the way in which we produce the figures.

**Jackie Baillie** *rose*—

**Stewart Stevenson:** If time permits.

The “Export Statistics Scotland” 2014 report, produced by statisticians in Scotland, interestingly provides information that perhaps illustrates where some of the difficulties may arise. The report points out that the Netherlands is Scotland’s second biggest export market, and the biggest in the EU. That seems rather surprising, because the footnote says that the Netherlands and Belgium are consistently reported as our “top trading partners”; however, those countries contain “key ports” where many of our exports are exported.

The report goes on to deal with Her Majesty’s Revenue and Customs figures for regional exports of goods. Here, it gets really interesting. In the figures for the various countries of the UK, there is—and I quote—an “unknown region” that exported £37.3 billion. That is quite interesting; if that were to be attributed to Scotland, our exports beyond the UK exceed the £45 billion-plus that are represented. Could that be the case? Actually, it is quite likely, because that is the oil region, and it is only by omitting oil that one can get the result that one does.

Let us turn to the business of ports—I say to Jackie Baillie that I am now out of time. The Rotterdam effect is an idea that is so pervasive that it is part of the A-level syllabus in England and Wales, and I have before me a study note about it. The issue concerns the fact that an export is booked at the last point at which it touches the ground. Given that Scotland does not have many ports that are equivalent to Felixstowe, Zeebrugge or Rotterdam, most of our exports touch the ground and are counted somewhere else.

We need to be conscious about the numbers that have been presented. I do not say that they are wrong; it is just that, on the basis of the evidence that is before us, I cannot possibly say that they are right, and there is evidence that suggests that they might actually be the other way up from what we are seeing.

Presiding Officer, it has been an absolute delight to have the audience listen to me here today. I hope that we will talk about more numbers as the debate progresses.

16:06

**Daniel Johnson (Edinburgh Southern) (Lab):** It is always something of a challenge to follow Stewart Stevenson in the chamber, but I will give it a shot.

I am pleased to be speaking in the debate this afternoon. We have had a great number of debates about Brexit, but this is perhaps the most important one, because trade is at the very heart of the EU. That is not because the EU is narrow

and is purely about trading, but because trade was the foundation of a much bigger project, which was designed to make war impossible. The creation of the European Coal and Steel Community in 1951 was about tying together the European nations’ production and distribution of steel and the very materials for war, so that war could not be waged. It was an explicitly political project—that is explicit in the Schuman declaration. I say to the Brexiteers that I get tired of hearing them say that the EU is just a trading pact that we are part of. It is not; it was always a much wider, political pact. It was also an arrangement that understood that the importance of trade is political as much as economic, and that, in order to facilitate trade, you need political as well as economic institutions.

As the EU has progressed and our economy has developed, our trade has become increasingly complex and reliant on the EU single market and, I stress, the UK single market—we cannot split one from another in terms of their importance to our economy. We need clarity and we need a plan for how to deal with the situation that we are in. The issue is too important to be used for political grandstanding.

**Keith Brown:** On that point about clarity, can the member make it clear whether he supports maintaining membership—I stress membership—of the single market, which I think that he voted for on 27 September, or now agrees with Jackie Baillie’s new position of simply seeking access to the single market? Which is it?

**Daniel Johnson:** The position is not new. We are seeking clarity about how we maintain access to the relevant markets for our industries.

I want to talk for a few moments about financial services, an industry that is incredibly important to my constituency of Edinburgh Southern, and which I will use to broaden the argument somewhat. We have heard a number of speakers, particularly from the Tory benches, talk about brand new export deals: £1 billion here, deals with Colombia there. I do not want to do Colombia an injustice, but I find it slightly bizarre that Liam Kerr virtually raises the idea of trade deals with banana or, indeed, coffee republics. That is no substitute for the value of the trade that we have.

The financial services industry employs 100,000 people directly, and another 100,000 indirectly. In Edinburgh, it employs 35,000 people in banking, insurance and pensions. Those jobs are reliant on the passporting rights that those industries enjoy within the EU, by which I mean the ability of a financial institution that is based in one state to be able to sell its services into any other state in the EU.

We think of trade as involving crates on ships, and when we talk of trade deals, we talk of tariffs and the possibility of goods perhaps becoming a little bit more expensive. However, the reality is that the loss of passporting is much more serious than that, because it prevents trade completely. Given the importance of financial services to this country, and our reliance on them, we need to ensure that we maintain access to the single market, because banks are already making decisions. The warnings from the British Bankers Association are clear. Banks are not waiting around to see what kind of Brexit we get; they are already drawing up plans for how to move their operations to ensure that they can continue to trade.

**Liam Kerr:** I wonder whether Daniel Johnson wishes to reflect on the evidence that we heard in the Economy, Jobs and Fair Work Committee today that passporting rights and issues for banks would not be as significant for Scotland as they would be for the City.

**The Deputy Presiding Officer (Linda Fabiani):** You are in your final minute, Mr Johnson. [*Interruption.*] I am terribly sorry, Mr Kerr, I thought that you had concluded.

**Liam Kerr:** I have concluded.

**Daniel Johnson:** If Liam Kerr thinks that he can disentangle our financial services industry from that of the rest of the UK, good luck to him.

That brings me neatly to my next point. Throughout all this, we are suffering a great deal from a lack of authority. It is ironic that Murdo Fraser listed all the permutations of Brexit that the Scottish Government was failing to outline, because the UK Government is equally guilty. Likewise, I would put it to the Scottish Government that the jobs in this country are reliant on access to markets. The Scottish Government needs to stop posing a false dichotomy between EU membership and UK membership. As I have just pointed out to Liam Kerr, the valuable jobs that we have in this city and country are reliant on access to both the EU single market and the UK.

16:11

**Emma Harper (South Scotland) (SNP):** Since joining the Culture, Tourism, Europe and External Relations Committee, I have learned, and continue to learn, more about trade agreements than I ever thought I would, and how crucial trade is to our economy.

Listening to witnesses and reading evidence, the overriding message I receive is that the European Union has been the most successful attempt at regional economic integration within the

World Trade Organization. To replicate that success outwith the EU will be a challenge indeed.

I represent South Scotland, a region that has benefited profoundly from membership of the single market in terms of agriculture and the food and drink sector. I am acutely aware that the best way to protect the interests of my constituents, and the rural economy, is to maintain that membership. I have spoken to several farmers and dairymen who tell me that the threat of a hard Brexit is very likely to damage their business. They tell me that although subsidy is important and it supports and allows for new ventures and improvements, trade is the key. Trade is the bedrock that their businesses stand on.

In a recent report, passed to me by a dairy farmer in Dumfries and Galloway, the Agriculture and Horticulture Development Board concludes that trade between the EU and UK dominates Scotland's agricultural sector. That makes access to the single market imperative to the economy in the south of Scotland.

As most of you will be aware, without the UK-EU agreements, standard World Trade Organization most favoured nation rules would apply, so UK exports would be subject to EU tariffs and vice versa. Those tariffs would be especially harmful to the agricultural sector.

As a note, I am not sure where all the farmers of the chamber are today. Agriculture is extremely important when you are talking about trade.

Professor Stephen Woolcock, of the London School of Economics, estimates that the trade-weighted average EU tariff is 22 per cent on agricultural products, compared to 2.9 per cent on manufactured goods. Professor Woolcock also estimates that there could be tariffs of approximately 42 per cent on dairy products. The two major dairy processors in the UK are European, and those tariffs could prove crippling to them.

As well as threats, there are opportunities as we move forward. It is important to acknowledge that Scotland's brand is strong when it comes to food and drink. Developing trade with other markets outwith the EU is of key importance, particularly for the dairy industry. However, the fact remains that it is in the best interests of Scottish producers to avoid EU tariffs. Of course we can still trade without membership of the single European market, but the reality is that we will always be at a disadvantage compared with our main competitors.

Another issue of critical importance that was raised with me recently by representatives from NFU Scotland is that of EU nationals working in Scotland in the food supply chain. Specifically, concern was expressed to me about the uncertain

future of Polish dairymen in Dumfries and Galloway. They are extremely skilled workers who make a vital contribution and both employers and workers need a guarantee that they can stay and work in Scotland.

Sadly, they have been offered no hope by those on the Conservative benches. Last month, those in the House of Commons voted against an SNP motion to protect the rights of EU nationals. Safeguarding the rights of people from other EU countries to remain here is a moral imperative and an economic necessity, but free movement remains a sticking point for Theresa May's Government, which is intent on ignoring the tremendously valuable contribution of EU nationals in the UK in favour of anti-immigration rhetoric.

It is vital that the Scottish Parliament shows a united front in backing Scotland's continuing membership of the EU single market so that Theresa May receives the message that Scotland's interests must be protected during Brexit negotiations. Unfortunately, we cannot rely upon Scotland's man in Westminster to relay that message to his boss. In an appearance before the Culture, Tourism, Europe and External Relations Committee last month, the Secretary of State for Scotland, David Mundell, was alarmingly unable to answer straightforward questions about the input that he will have into the Prime Minister's Brexit cabinet committee. When it was revealed last month that the UK Government was seeking a special deal to keep the City of London in the single market, I and my colleague Joan McAlpine contacted Mr Mundell to ask him to match those attempts by pressing for a deal for workers and business in Scotland.

**The Deputy Presiding Officer:** You have to close now.

**Emma Harper:** Almost one month later, we are yet to receive even an acknowledgement. That is an indication of how seriously Mr Mundell takes his role of representing Scotland in the negotiations.

16:16

**Graham Simpson (Central Scotland) (Con):** My first speech in the chamber came before the vote to leave the European Union and it was on that very subject. It came less than a month before the vote and I would like to think that my prophetic words had some influence here, particularly on my good friend Alex Neil, and perhaps a few others.

I welcome the setting up of a cross-party group on Brexit.

Much guff was talked during the campaign and much more has been talked since. We have heard

plenty in this chamber. Let us get one thing clear: Scotland did not vote to remain in the EU. The UK voted to leave and Scotland voted to remain in the UK. The UK is the member state and it is the UK Government that will do the deal on leaving that rotten organisation.

**Keith Brown:** On the subject of guff and the UK Government, does the member agree with Liam Fox's statement that British business is "too lazy and fat" and with Liam Kerr's statement—he has just left the chamber—that the passporting issue is not significant to Scotland?

**Graham Simpson:** I will go on to discuss trading opportunities for the minister.

We in Scotland and in Parliament should have an interest in Brexit because we stand to gain a great deal, such as extra powers in agriculture and fisheries, for example, and an end to meddling from Europe in this Parliament's decisions. It is those powers that the Scottish Government's Mr Brexit, Mike Russell, should be concentrating his efforts on, instead of posturing and agitating.

Mr Russell is a skilled operator and he could bring home the bacon—British, of course—if he applied himself in a more positive manner. Instead, he acts like the big bad wolf, huffing and puffing, but failing to blow down the Brexit house. If he carries on like this, he will be out of breath soon.

There is a better and healthier way for Mr Russell and the Scottish Government to go about their business that will bring positive results for Scotland. Instead of whining about Scotland having its own deal on the single market, they should work with the UK Government to identify new trading relationships that could help Scottish business. There is whole world of opportunities out there waiting to be grabbed.

Only 6 per cent of British companies do any business at all with the rest of the EU, but 100 per cent of our firms must apply 100 per cent of EU regulations. Our aim should be to exempt the 94 per cent from EU directives and regulations.

When we talk about the single market, most people think that it means one big free trade zone. It is, in fact, one big regulatory zone. Access to the single market and membership of it are two different things.

Britain, as a relatively large economy that exports more to non-EU than to EU markets, could easily trade freely with the single market without belonging to it. We need to look at Brexit as an opportunity, not see it as a hindrance. It is an opportunity to look outwards and strike trade deals with the rest of the world.

Whatever people thought about the outcome of the US election, the President-elect stated during

his campaign that, under him, America would be first in line to sign a post-Brexit trade deal. Given that the US is our largest export market, such a deal would be hugely beneficial. The US is just one country that the EU has failed to strike a trade deal with, meaning that we do not have one either. India and Japan—both massive markets—are others. However, now we can do our own deals.

We could look, for example, to the Commonwealth, where we have obvious historical links. It also has similar legal frameworks. As part of the UK, we have an incredible opportunity to strike out with renewed entrepreneurial zeal. We can do a deal with the EU; it will do a deal with us. We can be free to choose our new trading partners—free from the shackles of Brussels—so let us grab that opportunity.

16:21

**Gordon MacDonald (Edinburgh Pentlands) (SNP):** There are three key pillars to Edinburgh's economy—the university sector, financial services and tourism—which are all dependent on the EU to varying degrees for funding, trade or a skilled workforce. If we do not remain in the single market, there is the potential for those sectors to be undermined, which will impact on the Edinburgh economy.

The Institute for Fiscal Studies produced a report in August entitled “The EU single market: the value of membership versus access to the UK”. The report states:

“Full ‘membership’ of the EU Single market substantially reduces the costs of trade within the EU.”

It continues:

“Whilst any country has ‘access’ to the EU as an export destination, membership of the Single Market reduces ‘non-tariff barriers in a way that no existing trade deal, customs union or free trade area does.’”

I will address the impact on Edinburgh. Across Scotland, 13,000 EU nationals are studying at higher education institutions. Many of them are based in Edinburgh, where there are four universities. Edinburgh university alone has 4,700 EU undergraduates and another 1,000 EU postgraduate research students who are being supported in their studies by an academic staff, a quarter of which are EU nationals.

Alastair Sim highlighted at the Economy, Jobs and Fair Work Committee meeting on 8 November that there are

“4,600 EU staff in universities, across academic and professional disciplines”.—[*Official Report, Economy, Jobs and Fair Work Committee*, 8 November 2016; c 25.]

He pointed out that those staff have long-term unanswered questions. If they are given the right to remain, what will happen to their access to

public services—will they be able to access them on the same basis as UK citizens?

If salary thresholds are in place for tier 2 visas, researchers at the start of their academic careers would fall beneath those thresholds. Alastair Sim said that we need to ensure that the many early-career people who have modest salaries but huge talent to offer can remain in this country. He also commented:

“Free movement of talent is the life-blood of universities and we do not want it to be restricted.”—[*Official Report, Economy, Jobs and Fair Work Committee*, 8 November 2016; c 29.]

The university and research sector in Scotland has access to £95 million per year of research funding. Assurances have been given by the UK Government regarding existing funding but what happens post-Brexit? Edinburgh university has identified that Europe is the university's biggest collaborator and a third of research is co-authored by EU members. If we are outside the single market, how will our universities gain access to EU funding? Will they be junior partners? If so, will they lose the ability to influence future research policy?

Another aspect of the Edinburgh economy is financial services, where it is estimated that 35,000 people are directly employed out of 90,000 across Scotland. A report by the international public policy institute at the University of Strathclyde highlights that

“the financial services industry ... contributes around £8 billion a year to the Scottish economy”.

The financial services sectors that may be impacted by Brexit relate to asset management. Scotland provides asset management services to clients around the world, including the EU. The report notes that

“an investment fund managed in Scotland can attract investors from all over the EU”

and states that, if we were outside the single market, such funds could lose their exemption from national regulations in individual EU countries. It describes how

“Scotland is the leading centre for asset servicing”,

in which large international banks carry out operations for other financial institutions, and states that

“These companies may see a disadvantage with dealing with companies in Scotland if”

we

“no longer have passporting rights.”

In its briefing, the Association of British Insurers states:



“Any future migration policy must enable the employment of high-skilled professionals from both inside and outside the EU.”

Given the difficulties facing the sector, it should come as no surprise that Jenny Stewart of KPMG recently highlighted at the Economy, Jobs and Fair Work Committee that, following the Brexit decision,

“Dublin, Frankfurt and Luxembourg are making a play for financial services institutions.”—[*Official Report, Economy, Jobs and Fair Work Committee*, 1 November 2016; c 30.]

Tourism is another important part of the Edinburgh economy, with approximately four million visitors a year injecting £1.3 billion into the local economy. The hotel sector is booming, and occupancy levels were running at 92 per cent for most of the summer. However, the Edinburgh hospitality sector depends on EU nationals to service that demand, with 7,000 working in the sector. Why is it that, while most academic studies show that attracting skilled migrants to the country is good for the long-term health of the economy, the UK Government believes the opposite?

**The Deputy Presiding Officer:** Please, Mr MacDonald.

**Gordon MacDonald:** I am just finishing. The people of Scotland voted overwhelmingly to remain in the EU, and we need this Parliament to send a united message that Scotland must remain in the single market.

16:26

**Willie Rennie:** The debate has been pretty good and we have heard some good contributions. Bruce Crawford highlighted the 80,000 jobs in Scotland that depend on the European Union and Jackie Baillie spoke about the benefit from the United Kingdom’s significant contribution of jobs to our economy. Ash Denham said that everything has been on hold for the past while—it will be a year by the time the UK Government makes up its mind about what Brexit means. Stewart Stevenson read out a lot of numbers and concluded that he did not know what any of them meant. [*Laughter.*]

**Stewart Stevenson:** Shame.

**Willie Rennie:** I use only the member’s own words.

Bizarrely, we heard the Conservative Alexander Stewart say that everybody else is obsessed with the European Union, which I find remarkable given that it is all that the Conservative Party has been obsessed with for the past 30 years.

The final contribution in the open debate, from Gordon MacDonald, was excellent. He spoke about the benefit of the European Union to our university sector, which is important to me given that the University of St Andrews is in my

constituency. The EU benefits universities in terms of grants, students and staff. The risks to those areas are considerable, and we can already see behavioural change in all three of them as a result of the vote. European leaders of grant-funded projects are turning away from United Kingdom institutions; students are making up their minds about whether they want to come here; and staff members are thinking again about coming to a UK university and committing to spending a considerable time in the UK.

The threat to universities is considerable, as it is to the food and drink sector. Richard Lochhead spoke about those risks, and Emma Harper spoke about Polish dairymen. All those issues, concerns and fears are incredibly valid, and we need to work through and try to resolve them. However, I gently say to the members who raised those issues that their points could apply equally to our membership of the United Kingdom. We were accused of running project fear when similar concerns were raised about what independence would mean for Scotland, so a bit of self-reflection in that respect would do no harm.

Keith Brown urged us towards unity, but I am afraid that I will have to decline on that front. The last time that I was asked to unite on Europe was by the First Minister, who promised me on the phone that it was not about independence—

**Murdo Fraser:** Sucker.

**Willie Rennie:** Murdo Fraser says, “Sucker,” perhaps because the First Minister spent the whole summer talking about nothing else but independence. That is why we are no longer signed up to that effort.

I am disappointed that the First Minister could not keep her word, try to have a cross-party consensus to explore all the options and respect those who are against independence. That is why we will decline Mr Brown’s offer today of unity.

The SNP’s approach has been bedevilled by one central problem, which is that it thinks that the only solution available is the solution that is for Scotland only. It does not contemplate that a UK-wide solution is possible. I have not given up on the UK and I will not give up on it.

I am worried about Murdo Fraser, who seems to be enjoying Brexit far too much. The language that he uses now is the language that Nigel Farage and Michael Gove used before the referendum. Mr Fraser spends all his time trashing the European economy. Liam Kerr joined in and used all the old scare stories about beef and the energy sector; Alexander Stewart did likewise on the declining fortunes of the European economy.

**Murdo Fraser:** Will Mr Rennie take an intervention?

**Willie Rennie:** Yes, although if the member is going to give me more European trashing, I am not so sure.

**Murdo Fraser:** I am most grateful to Mr Rennie for giving way. The difference between him and those of us in the Conservatives is that we are democrats and we accept the outcome of the referendum and the decision that the British people made. Mr Rennie claims to be a Liberal Democrat—is he now just a liberal?

**Willie Rennie:** I presume that Mr Fraser will not support our amendment and will deny the people the democratic choice to decide on the destination following the Brexit deal negotiations. If he calls himself a democrat by denying them that choice, that is his definition of democracy, but it is certainly not mine. He may be right that we voted for Brexit—that we voted to leave the European Union—but we did not vote for a destination. That is why the British people should have a say.

Perhaps Mr Fraser should also reflect on being a bit too enthusiastic about trashing an institution that he urged everybody else to stay a member of just before June.

**Patrick Harvie:** Will Mr Rennie give way?

**Willie Rennie:** Not just now. I will not give up on the United Kingdom and I will not give up on the European Union. That is why I favour having a Brexit deal referendum. I am not prepared to write a blank cheque and accept anything that comes along—anything that the Conservative Government negotiates, no matter how bad the deal. We need to have a get-out clause. That get-out clause needs to be the British people having a say on the final deal. If SNP members want to reject that, that is up to them. If the Tories want to reject that, that is up to them, too, but the British people will regret that decision by both those parties.

I urge the SNP to get behind the campaign. The SNP holds a large number of seats at Westminster and, if it is true to its word that it wants to stay in the European Union, it should use those votes to have the Brexit deal referendum.

16:33

**Richard Leonard (Central Scotland) (Lab):** In closing the debate on the Scottish Labour Party's behalf, I will make a couple of points. First, leaving the European Union does not mean leaving Europe. We are in Europe whether we like it or not and we are about to re-enter a Europe of Belgrade and Reykjavík and of Zurich and Oslo. We will need new dialogue, new exchanges, new trade and a new destiny. I say to Graham Simpson that I hope that that new destiny does not include a transatlantic trade and investment partnership.

Bruce Crawford asked about the Labour Party's position on membership or access. The Labour position is not, as he suggested, nuanced. It is that we need the fullest possible access to the single market. As was privately briefed to the BBC this morning from an SNP source, that might, for example, mean joining EFTA, which in turn would allow us to become a member of the European Economic Area. We would not be members of the EU or the single market, but we would have maximum access to the single market.

Of course, the word “nuanced” might not be in the SNP dictionary, because the SNP motion calls for membership of the single market, which means membership of the EU, and in the SNP's book that means the creation of Scotland as a separate state. That is why we cannot support the motion.

**Patrick Harvie:** Will the member give way?

**Bruce Crawford:** Will the member give way?

**Richard Leonard:** I do not have time just now—I am sorry.

During the debate, we heard again about businesses and even industries in Scotland that have become reliant on migrant labour from elsewhere in the European Union and particularly from the 2004 accession states. We heard that leaving the single market would put those enterprises in jeopardy. However, the Parliament is bound to ask such business owners, “What did you do before 2004?” Access to a talented and skilled workforce is highly desirable, but surely there is a leadership role for the Scottish Government and its agencies, such as Skills Development Scotland, in ensuring that there are no skills gaps and that we are educating and training people for the jobs of the future.

It is also the Parliament's duty to ask about the scrupulousness of businesses that are looking for the freedom of movement of capital and cheap labour, because we must guard against that. A market—single or otherwise—does not have its own moral compass; it is for us to formulate and direct it.

Members have rightly praised Ken Loach's Palme d'Or-winning film “I, Daniel Blake”, and a few of us even appeared in a trailer for the film. I direct members to the film that Ken Loach made in 2007 about European Union enlargement—“It's a Free World...”. In that film, Ken Loach and Paul Laverty showed how migrant workers from EU accession states are hired, fired, mistreated and underpaid with impunity. They showed us that migrant workers are on temporary contracts of employment, if they are on contracts at all, and that they are hired through employment agencies, payroll agencies and umbrella companies—outsourced and subcontracted.

Anyone who believes that such exploitation does not happen in Scotland is deluding themselves.

**Patrick Harvie:** The member makes a strong case for a good standard of regulation of employment practice rather than varying standards of employment practice in different European countries. I genuinely still want to understand the Labour position. If maximum access to the single market means free movement of labour, goods, capital and services and a common approach to external tariffs, competition and regulation, how is that different from membership? Is it just that we do not get a say in the rules? Is there some other difference that Labour is looking to achieve?

**Richard Leonard:** The difference is that people did not vote for membership. People voted to come out—

**Patrick Harvie:** They were not asked about membership of the single market in the referendum.

**Richard Leonard:** We will come on to the referendum in a second.

On the treatment of workers in this country, we want to say loud and clear to migrant workers, who make a big contribution not just to our economy and our Exchequer but to our society, our communities and our public services that we are on their side and we want them to stay and make this country their home. That is why Labour members today repeat our call to the Conservative Government to confirm the existing legal status of all European Union citizens who live and work here.

We also want all workers, whether they are skilled or unskilled, to be paid the rate for the job. We want all workers to be treated with dignity, to be paid overtime when they work overtime, to be allowed to join a union, to have secure employment and to have holiday pay and sick pay. We do not think that that is too much to ask for.

I say to the cabinet secretary that that is not simply about Scotland plc or Scotland being “open for business”, as he put it—as if money and the maximisation of profit were the be-all and end-all. It is about the kind of country and the kind of society in which we want to live. In the end, that will require a change in the balance of power in industry and commerce, so that working people, whoever they are and wherever they are from, are not just hired hands but citizens of industry as well as society.

Next year will be the 60th anniversary of the treaty of Rome and the 30th anniversary of the enactment of the Single European Act. Keith Brown praised Margaret Thatcher for bringing in

the Single European Act. That act introduced qualified majority voting to provide for the free movement of capital and services, opened up public procurement contracts and centralised common customs tariffs, but unanimity was still required to give working people social and employment protection.

Around that time, Italian economist Paolo Cecchini produced the report “The cost of non-Europe”. We now need our own plan to make our own assessment of the regional and sectoral impacts of being outside and inside the single market. Incidentally, the export figures that we quote are the Scottish Government’s figures from its own surveys and its own input/output tables. We need to act not just defensively but affirmatively so that we can proceed, step by step, with an element of trial and error, bold and confident. We need to rise to the call—the circumstances that we find ourselves in demand that of us. I hope that we can unite around that, at least.

16:40

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

I welcome this 11th debate on Brexit and the discussion on the implications for our trading relationships. I also welcome the speeches that members from across the chamber have made, although I highlight the irony of Mr Brown lecturing others on trade policy after a week in which the SNP has been called “the Scottish shambles” by senior Chinese trade officials. It looks as though Mr Brown’s policy of internationalisation is finally paying off—previously, only people in Scotland referred to the SNP as a shambles; now the rest of the world is joining in.

Not only has the SNP upset global investors in Asia; it has suddenly found itself in the position of having a deeply damaged relationship with the newly elected President of the US—a new President that the SNP recently sacked as a trade ambassador and even wanted to ban from entering this country. Following a week in which the SNP has managed to damage our trading relationships with the largest and second largest economies in the world, its lectures on trade policy are wearing a bit thin.

After 11 debates on Brexit, the differences between our approach to Brexit and the approach that is taken by the SNP are clear. First, we respect and will follow the democratic vote that was taken by the UK electorate to leave the EU. Unlike the SNP, we respect the outcome of referendums. As Graham Simpson highlighted, the UK is the member state and the UK voted to leave. It is now time for the SNP to recognise that as well and to work positively with the UK Government to secure the best possible trade deal

for Scotland. Last week, the Irish Government made that very point when it said that it would discuss Brexit only with the UK Government and not with the SNP.

**Ash Denham:** Will the member take an intervention?

**Dean Lockhart:** I will later.

If SNP members do not want to listen to our friends in Ireland, I am sure that they will listen to their esteemed colleague Alex Neil, who reminded us recently that Scotland cannot “retain” EU membership because it is “not the member state”.

The second issue on which we disagree with the SNP is trade priorities. As several of my colleagues have mentioned, our priority is to secure and expand our relationship with the rest of the UK—a market that represents 65 per cent of our trade exports. I know that Mr Brown is not an economist, but surely he recognises that a market that is worth 65 per cent of our exports is more important than a market that is worth 15 per cent—that is simply true.

The priority of trade with the rest of the UK has been emphasised by various experts at the Economy, Jobs and Fair Work Committee. The representative of SDI commented last week:

“it will be paramount that we protect free trade or the open market with the rest of the UK.”—[*Official Report, Economy, Jobs and Fair Work Committee*, 8 November 2016; c 21.]

At the same time as protecting the UK single market, we want to retain the maximum possible access to the EU single market, which accounts for 15 per cent of our exports.

In another key difference between us and the SNP, we also want to significantly expand our trade opportunities with the rest of the world—which represents 20 per cent of our exports—through exploring new trade deals. As Liam Kerr mentioned, there is great potential for trade agreements with countries such as the US, China and India.

**Willie Rennie:** I agree with the member about our relationship with the rest of the United Kingdom. However, if the deal with the European Union that his Government negotiates is not really good enough and harms jobs and opportunities, will he just accept it?

**Dean Lockhart:** Given that the UK has the second largest economy in Europe and the fifth largest economy in the world—as well as the fastest-growing economy in Europe—I am confident that we will strike a deal that is good for the UK but also for Scotland.

**Gillian Martin (Aberdeenshire East) (SNP):** Will the member take an intervention?

**Dean Lockhart:** I will later.

In contrast, as Jackie Baillie rightly highlighted, the SNP wants to turn its back on the UK single market and is clearly using Brexit as a political football to agitate for a second independence referendum.

Another key difference between our approach to Brexit and that of the SNP relates to our future relationship with the EU. We have made it very clear that we want to secure the maximum possible access. However, as Murdo Fraser has highlighted, in not one of the 11 debates that we have had on Brexit has the SNP clarified what outcome it is trying to reach.

Perhaps Mr Russell can clarify in his closing speech what the SNP’s objectives are. Does the SNP seek membership of the EEA or the European Free Trade Association? Does it want to adopt the Norwegian model, the Swiss model or some other model? Alternatively, is the SNP really planning for independence within the EU, which would involve adopting the euro and joining the Schengen zone?

**Daniel Johnson:** The member is absolutely right. We need clarity on which option we intend to pursue, so which option does his party favour? It is far from clear to me that the Conservatives have made that clear.

**Dean Lockhart:** I think that I made it clear to Willie Rennie that we will negotiate for a bespoke agreement that works for the UK. The Prime Minister has made it clear that we will aim to get the maximum possible access to the single market.

**Ash Denham:** Will Dean Lockhart give way?

**Dean Lockhart:** I am sorry—Ms Denham has now asked me to give way a couple of times. Let me just make a bit of progress and then I will.

The final area in which we take a different approach from the SNP is that we want to highlight the global trade opportunities that will arise from Brexit. In every Brexit debate, it has been left to the Scottish Conservatives to highlight the trade and export opportunities. We are the ones who have called on the SNP to take action, but we have had nothing from the SNP in response. There has been no export action plan, no real change in economic policy and no leadership on new business.

**Ash Denham:** The member is quick to criticise the Scottish Government’s lack of a plan. Would he accept that it is completely unacceptable that the UK Government, which has brought the current situation upon Scotland, has no plan at all after five months, and has no plan to bring one forward in the next few months?

**Dean Lockhart:** The polls have shown that a significant number of SNP voters voted leave, so Ash Denham cannot blame the situation on others. [*Interruption.*]

**The Deputy Presiding Officer:** I am sorry, Mr Lockhart—I cannot hear you because the colleague beside you is screaming.

**Dean Lockhart:** How many minutes do I have?

**The Deputy Presiding Officer:** You have two and a half minutes left.

**Dean Lockhart:** Thank you very much.

Let us highlight further opportunities that are available. At this morning's meeting of the Economy, Jobs and Fair Work Committee, we heard about the massive opportunities that we have to increase trade with Asia—

**Gillian Martin:** Will the member take an intervention?

**Dean Lockhart:** No, thank you—I have taken enough. [*Interruption.*]

**The Deputy Presiding Officer:** Ms Martin, the member said no. Please sit down.

**Dean Lockhart:** Asia accounts for two thirds of all global economic growth, but less than 2 per cent of Scotland's exports go to China and just over 1 per cent go to Japan and India. There are significant opportunities there, so it is time for the SNP to move on from its post-Brexit denial, show real leadership in the Scottish economy and provide hands-on help to increase our exports.

I will conclude by reflecting on an eventful week in the context of trade and Brexit. In the course of the past week, we have discovered that, in Asia, the SNP is now known as “the Scottish shambles”. With regard to the US, the SNP will have to work hard to mend its deeply damaged relationship with the incoming US President. We should remind ourselves that the US is our largest international export destination market.

Closer to home, the Irish Government has made it clear that Scotland is not the member state and that it will negotiate only with the UK. Even closer to home, we found out that we have a number of silent SNP Brexiteers in our midst in this very chamber. Surely that must end once and for all the SNP's grievance agenda over Brexit. The SNP can no longer blame the leave vote on others when a number of its MPs and MSPs, and a significant percentage of SNP voters, voted leave.

I say to the SNP that it should stop using Brexit as a political football, stop damaging our trading relationships and our reputation as a place to do business, and start acting in the best interests of Scotland as a whole, rather than in its own narrow and parochial political interests.

**The Deputy Presiding Officer:** I call Michael Russell to close the debate. I ask you to finish speaking at 4.59, please.

16:48

**The Minister for UK Negotiations on Scotland's Place in Europe (Michael Russell):** Thank you, Presiding Officer. I shall do my very best to do so.

I will begin at the beginning. What is the single market? The best definition of that was given by Daniel Johnson, who I thought traced the background to the single market very well. Let us remind ourselves of what the single market is based on. It is based on the free movement of goods, the free movement of services, freedom of establishment, the free movement of persons, including the free movement of workers, citizenship and the free movement of capital. The purpose of the free market is to underpin a fair and equitable system. It is ruled by the European Court of Justice, and that is the problem, because the European Court of Justice is not a body that the Tories wish to have any say within these islands. They also do not wish to see migration take place within these islands.

Those are the two issues that are at the heart of the matter, because there is nothing objectionable about the single market. Indeed, Keith Brown pointed out that, to a great extent, it was created by conservative forces that wanted to see greater trade between the countries of Europe but knew that that would happen only if there was fair competition within that market. That is what the single market actually is, and to object to the single market is to object to the economic benefits that are experienced by these islands. They have also been experienced by the rest of the continent as the single market came into effect gradually over a period of time.

The single market is not a threat, but we have heard a great deal this afternoon about a dichotomy—Daniel Johnson rightly called it a false dichotomy—between the single market and trade within the UK. There is no dichotomy; indeed, the only people who raised it previously were the better together forces during the independence referendum, who referred to it repeatedly and tried to make it something that people would use in making their choice. However, there was no choice to be made in that regard. It would be perfectly possible to have arrangements north and south of the border that allowed freedom of movement—just as it is perfectly possible to have an arrangement with Europe that has the benefits of membership of the single market. Those things are absolutely doable.

Why we have we heard so much about the issue? Clearly, it is because it is a political issue for both Labour and the Tories. It is an issue of politics, not economics. The problem is that if we make it a political issue in the way that the Tories and Labour have done, we will damage the very heart of Scotland's economic prospects. That is the problem with the way in which both Labour and the Tories have approached the issue in the debate.

**Murdo Fraser:** Mr Russell might dismiss voices from the Conservative and Labour sides of the chamber, but how can he so easily dismiss the views of the constitutional expert Professor Michael Keating? He said today that it is impossible for Scotland to join the European Economic Area while the rest of the UK remains outside it without introducing a hard border between the two. Why does Mr Russell think that Professor Keating is wrong?

**Michael Russell:** I am not here to debate academic opinions. I am here to say that it is possible to do both things, and many experts will argue that it is possible to do both. The reality is that, as with most things in Europe, it is possible to get a solution that is both political and legal, if the will is there to do so. The position of both the Tories and Labour is about their obsession with independence and absolutely nothing to do with Europe and what we need to do.

**Jackie Baillie:** Will the minister take an intervention?

**Michael Russell:** I was just about to mention the Labour position, but I am happy to give way to Jackie Baillie.

**Jackie Baillie:** The minister will know that we support a special deal for Scotland, Wales and Northern Ireland, but can he comment on comments made by Dr Fabian Zuleeg, of the European Policy Centre, who is also a member of the First Minister's standing council on Europe? Dr Zuleeg said:

"If the UK leaves the single market, I think that it is highly unlikely that any part of the UK will get a special deal to remain in the single market."—[*Official Report, Economy, Jobs and Fair Work Committee*, 1 November 2016; c 43.]

That is very disappointing, but does the minister agree with the First Minister's own adviser?

**Michael Russell:** I know Fabian Zuleeg well and I will continue to debate these matters with him. We are looking at difficult situations, but that is so because of the difficulties created by what the Tories have done, as Jackie Baillie said in her speech. However, difficult does not mean impossible; difficult means a great deal of hard work.

I value Labour's support for the position that we have taken. I am sorry that that support is not clear this afternoon, because I have in front of me five motions on maintaining membership of the single market that the Labour Party voted to support. That is not what Labour is arguing this afternoon, but I am a person who is full of hope and I hope that Labour will return to ensuring that it supports a cross-party initiative in this area, because that would be valuable.

I say to Willie Rennie that I greatly enjoyed his first speech in the debate—if only he had stopped there. His first speech was very productive. It focused exactly on what the problem is—and was: in the referendum campaign, a false prospectus was put in front of the people. The people of Scotland saw through it, but it was a false prospectus. Murdo Fraser said at the weekend that he was looking forward to standing shoulder to shoulder with Willie Rennie. Given Willie Rennie's first speech, Murdo Fraser would be presented with a very cold shoulder indeed.

**Willie Rennie:** Will the minister take an intervention?

**Michael Russell:** If Mr Rennie will allow me to finish, I will let him in in a moment.

Alas, Mr Rennie's shoulder got a bit warmer as the afternoon went on, when he began to fear that he was being seen as too close to independence. I would advise him to stick to his first speech because, if he does that, we might be able to find a way through for Scotland and the rest of the UK.

**Willie Rennie:** The best way through this is for the SNP members in the House of Commons to join our effort to have a Brexit deal referendum so that we do not have a blank cheque Brexit. That would be the way to get some consensus on the issue. Will the minister encourage his members in the House of Commons to do that?

**Michael Russell:** I would never presume to bind my colleagues in the House of Commons. It would be a harder job for me, of course, because there are 50-something of them, as opposed to simply eight for Willie Rennie. However, I would commend further discussion between the SNP group and the very small Liberal group at Westminster. They could find a phone box or something and have that conversation to see whether they could take this forward. I do not oppose that in any way.

Let me conclude with some observations about the debate. I have quite important observations on the Tory position. A number of Tory members spoke about huge opportunities that exist elsewhere, and a number of them were foolish enough to talk about the United States and India. Those two countries now stand as a microcosm of the problems that the Tories have set themselves.

Let us start with the United States. No less a figure than Sir Malcolm Rifkind clearly pointed out today that the problem with looking to the United States for free trade is that it has now elected the most protectionist President in a century. Free trade does not run in Donald Trump's veins. Protectionism runs in his veins, and trying to build a future on the basis of a relationship with a protectionist United States strikes me as a very worrying thing to do.

There is even worse. India was mentioned several times. I have two quotes. The first is from an article by Mihir Sharma from last week about the Prime Minister's visit to India, in which he said:

"this fond hope that Britain can once again be a goods-exporting powerhouse mistakes the kind of economy the UK needs to become post-Europe. The global economy today hardly needs or can support another high-cost location for manufacturing."

His point is that, in reality, the economies of the future are based on people and ideas. Of course, the Prime Minister did not waver for a moment in her objection to migration, but the UK cannot become that type of economy because of its obsession with migration.

More deadly still was Sir Keith Burnett, the vice-chancellor of the University of Sheffield, who explained in a remarkable piece in *Times Higher Education* why he was—I use his word—"ashamed" of having been part of the Prime Minister's trip to India. He saw the decimation of higher education as a result of that obsession with migration.

I say to those who argued that position—to Liam Kerr, Alexander Stewart and others on the Tory benches—that this is very close to T S Eliot's definition of tragedy: it is something funny that is then no longer funny. Two weeks ago, Liam Kerr talked about Trafalgar and the wooden walls, and last week he talked about the debate on EU staff in the NHS being meaningless. Today, he talked about the single market being a chimera and about passporting as not being significant. That belief in things that are not real and opportunities that are not real will lead us to disaster.

Graham Simpson gave me some advice and asked me to bring home the British bacon. Let me give him and his colleagues some advice. They should wake up from the dream of empire, from the delusion of absolute control and from the isolationism of Brexit. They should join the world or they will severely let down, particularly in terms of their prospects, the very people they were elected to represent.

## Scottish Parliamentary Corporate Body

16:59

**The Presiding Officer (Ken Macintosh):** The next item of business is the election of a member for appointment to the Scottish Parliamentary Corporate Body. I have received one valid nomination for appointment. The nomination is Jackson Carlaw.

The question is, that Jackson Carlaw be elected for appointment to the Scottish Parliamentary Corporate Body. Members should press the yes, no or abstain button.

### For

Adam, George (Paisley) (SNP)  
 Adamson, Clare (Motherwell and Wishaw) (SNP)  
 Allan, Alasdair (Na h-Eileanan an Iar) (SNP)  
 Arthur, Tom (Renfrewshire South) (SNP)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Claire (Mid Scotland and Fife) (Lab)  
 Balfour, Jeremy (Lothian) (Con)  
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)  
 Bibby, Neil (West Scotland) (Lab)  
 Briggs, Miles (Lothian) (Con)  
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)  
 Burnett, Alexander (Aberdeenshire West) (Con)  
 Cameron, Donald (Highlands and Islands) (Con)  
 Campbell, Aileen (Clydesdale) (SNP)  
 Carlaw, Jackson (Eastwood) (Con)  
 Chapman, Peter (North East Scotland) (Con)  
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)  
 Cole-Hamilton, Alex (Edinburgh Western) (LD)  
 Constance, Angela (Almond Valley) (SNP)  
 Corry, Maurice (West Scotland) (Con)  
 Crawford, Bruce (Stirling) (SNP)  
 Davidson, Ruth (Edinburgh Central) (Con)  
 Denham, Ash (Edinburgh Eastern) (SNP)  
 Dey, Graeme (Angus South) (SNP)  
 Doris, Bob (Glasgow Maryhill and Springburn) (SNP)  
 Dornan, James (Glasgow Cathcart) (SNP)  
 Dugdale, Kezia (Lothian) (Lab)  
 Ewing, Annabelle (Cowdenbeath) (SNP)  
 Ewing, Fergus (Inverness and Nairn) (SNP)  
 Fabiani, Linda (East Kilbride) (SNP)  
 Fee, Mary (West Scotland) (Lab)  
 Findlay, Neil (Lothian) (Lab)  
 Finnie, John (Highlands and Islands) (Green)  
 FitzPatrick, Joe (Dundee City West) (SNP)  
 Forbes, Kate (Skye, Lochaber and Badenoch) (SNP)  
 Fraser, Murdo (Mid Scotland and Fife) (Con)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gilruth, Jenny (Mid Fife and Glenrothes) (SNP)  
 Golden, Maurice (West Scotland) (Con)  
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (East Lothian) (Lab)  
 Greene, Jamie (West Scotland) (Con)  
 Griffin, Mark (Central Scotland) (Lab)  
 Hamilton, Rachael (South Scotland) (Con)  
 Harper, Emma (South Scotland) (SNP)  
 Harris, Alison (Central Scotland) (Con)  
 Harvie, Patrick (Glasgow) (Green)  
 Haughey, Clare (Rutherglen) (SNP)  
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)

Hyslop, Fiona (Linlithgow) (SNP)  
 Johnson, Daniel (Edinburgh Southern) (Lab)  
 Johnstone, Alison (Lothian) (Green)  
 Kelly, James (Glasgow) (Lab)  
 Kerr, Liam (North East Scotland) (Con)  
 Kidd, Bill (Glasgow Anniesland) (SNP)  
 Lamont, Johann (Glasgow) (Lab)  
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)  
 Lennon, Monica (Central Scotland) (Lab)  
 Leonard, Richard (Central Scotland) (Lab)  
 Lindhurst, Gordon (Lothian) (Con)  
 Lochhead, Richard (Moray) (SNP)  
 Lockhart, Dean (Mid Scotland and Fife) (Con)  
 Lyle, Richard (Uddingston and Bellshill) (SNP)  
 MacDonald, Angus (Falkirk East) (SNP)  
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)  
 Macdonald, Lewis (North East Scotland) (Lab)  
 MacGregor, Fulton (Coatbridge and Chryston) (SNP)  
 Mackay, Derek (Renfrewshire North and West) (SNP)  
 Mackay, Rona (Strathkelvin and Bearsden) (SNP)  
 Macpherson, Ben (Edinburgh Northern and Leith) (SNP)  
 Maguire, Ruth (Cunninghame South) (SNP)  
 Martin, Gillian (Aberdeenshire East) (SNP)  
 Mason, John (Glasgow Shettleston) (SNP)  
 Matheson, Michael (Falkirk West) (SNP)  
 McAlpine, Joan (South Scotland) (SNP)  
 McArthur, Liam (Orkney Islands) (LD)  
 McDonald, Mark (Aberdeen Donside) (SNP)  
 McKee, Ivan (Glasgow Provan) (SNP)  
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)  
 McMillan, Stuart (Greenock and Inverclyde) (SNP)  
 McNeill, Pauline (Glasgow) (Lab)  
 Mitchell, Margaret (Central Scotland) (Con)  
 Mountain, Edward (Highlands and Islands) (Con)  
 Mundell, Oliver (Dumfriesshire) (Con)  
 Neil, Alex (Airdrie and Shotts) (SNP)  
 Paterson, Gil (Clydebank and Milngavie) (SNP)  
 Rennie, Willie (North East Fife) (LD)  
 Robison, Shona (Dundee City East) (SNP)  
 Ross, Douglas (Highlands and Islands) (Con)  
 Ross, Gail (Caithness, Sutherland and Ross) (SNP)  
 Rowley, Alex (Mid Scotland and Fife) (Lab)  
 Ruskell, Mark (Mid Scotland and Fife) (Green)  
 Russell, Michael (Argyll and Bute) (SNP)  
 Sarwar, Anas (Glasgow) (Lab)  
 Scott, John (Ayr) (Con)  
 Simpson, Graham (Central Scotland) (Con)  
 Smith, Liz (Mid Scotland and Fife) (Con)  
 Smyth, Colin (South Scotland) (Lab)  
 Somerville, Shirley-Anne (Dunfermline) (SNP)  
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)  
 Stewart, Alexander (Mid Scotland and Fife) (Con)  
 Stewart, David (Highlands and Islands) (Lab)  
 Stewart, Kevin (Aberdeen Central) (SNP)  
 Sturgeon, Nicola (Glasgow Southside) (SNP)  
 Swinney, John (Perthshire North) (SNP)  
 Thomson, Ross (North East Scotland) (Con)  
 Todd, Maree (Highlands and Islands) (SNP)  
 Tomkins, Adam (Glasgow) (Con)  
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)  
 Wells, Annie (Glasgow) (Con)  
 Wheelhouse, Paul (South Scotland) (SNP)  
 Whittle, Brian (South Scotland) (Con)  
 Wightman, Andy (Lothian) (Green)  
 Yousaf, Humza (Glasgow Pollok) (SNP)

#### Against

Freeman, Jeane (Carrick, Cumnock and Doon Valley) (SNP)

**The Presiding Officer:** The result of the vote on the appointment of Jackson Carlaw to the Scottish Parliamentary Corporate Body is: For 115, Against 1, Abstentions 0.

As a majority of members have voted in favour, Jackson Carlaw is duly elected for appointment to the SPCB. I congratulate him on his appointment.



## Business Motion

17:00

**The Presiding Officer (Ken Macintosh):** The next item of business is consideration of business motion S5M-02510, in the name of Joe FitzPatrick, on behalf of the Parliamentary Bureau, which sets out a revised business programme.

*Motion moved,*

That the Parliament agrees to the following revision to the programme of business for Thursday 17 November 2016—

after

2.30 pm Parliamentary Bureau Motions

insert

2.30 pm Ministerial Statement: Update on issues relating to the Scottish Child Abuse Inquiry—  
[Joe FitzPatrick].

*Motion agreed to.*

## Decision Time

17:01

**The Presiding Officer (Ken Macintosh):** There are four questions to be put at decision time. I remind members that, if the amendment in the name of Murdo Fraser is agreed to, the amendments in the names of Jackie Baillie and of Willie Rennie will fall, and that, if we get as far as the amendment in the name of Jackie Baillie and it is agreed to, the amendment in the name of Willie Rennie will fall.

The first question is, that amendment S5M-02488.2, in the name of Murdo Fraser, which seeks to amend motion S5M-02488, in the name of Keith Brown, on the single market and trade and the European Union referendum, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

**For**

Balfour, Jeremy (Lothian) (Con)  
Briggs, Miles (Lothian) (Con)  
Burnett, Alexander (Aberdeenshire West) (Con)  
Cameron, Donald (Highlands and Islands) (Con)  
Carlaw, Jackson (Eastwood) (Con)  
Chapman, Peter (North East Scotland) (Con)  
Corry, Maurice (West Scotland) (Con)  
Davidson, Ruth (Edinburgh Central) (Con)  
Fraser, Murdo (Mid Scotland and Fife) (Con)  
Golden, Maurice (West Scotland) (Con)  
Greene, Jamie (West Scotland) (Con)  
Hamilton, Rachael (South Scotland) (Con)  
Harris, Alison (Central Scotland) (Con)  
Kerr, Liam (North East Scotland) (Con)  
Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)  
Lindhurst, Gordon (Lothian) (Con)  
Lockhart, Dean (Mid Scotland and Fife) (Con)  
Mitchell, Margaret (Central Scotland) (Con)  
Mountain, Edward (Highlands and Islands) (Con)  
Mundell, Oliver (Dumfriesshire) (Con)  
Ross, Douglas (Highlands and Islands) (Con)  
Scott, John (Ayr) (Con)  
Simpson, Graham (Central Scotland) (Con)  
Smith, Liz (Mid Scotland and Fife) (Con)  
Stewart, Alexander (Mid Scotland and Fife) (Con)  
Thomson, Ross (North East Scotland) (Con)  
Tomkins, Adam (Glasgow) (Con)  
Wells, Annie (Glasgow) (Con)  
Whittle, Brian (South Scotland) (Con)

**Against**

Adam, George (Paisley) (SNP)  
Adamson, Clare (Motherwell and Wishaw) (SNP)  
Allan, Alasdair (Na h-Eileanan an Iar) (SNP)  
Arthur, Tom (Renfrewshire South) (SNP)  
Baillie, Jackie (Dumbarton) (Lab)  
Baker, Claire (Mid Scotland and Fife) (Lab)  
Beattie, Colin (Midlothian North and Musselburgh) (SNP)  
Bibby, Neil (West Scotland) (Lab)  
Brown, Keith (Clackmannanshire and Dunblane) (SNP)  
Campbell, Aileen (Clydesdale) (SNP)  
Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)  
Cole-Hamilton, Alex (Edinburgh Western) (LD)

Constance, Angela (Almond Valley) (SNP)  
 Crawford, Bruce (Stirling) (SNP)  
 Denham, Ash (Edinburgh Eastern) (SNP)  
 Dey, Graeme (Angus South) (SNP)  
 Doris, Bob (Glasgow Maryhill and Springburn) (SNP)  
 Dornan, James (Glasgow Cathcart) (SNP)  
 Dugdale, Kezia (Lothian) (Lab)  
 Ewing, Annabelle (Cowdenbeath) (SNP)  
 Ewing, Fergus (Inverness and Nairn) (SNP)  
 Fabiani, Linda (East Kilbride) (SNP)  
 Fee, Mary (West Scotland) (Lab)  
 Findlay, Neil (Lothian) (Lab)  
 Finnie, John (Highlands and Islands) (Green)  
 FitzPatrick, Joe (Dundee City West) (SNP)  
 Forbes, Kate (Skye, Lochaber and Badenoch) (SNP)  
 Freeman, Jeane (Carrick, Cumnock and Doon Valley) (SNP)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gilruth, Jenny (Mid Fife and Glenrothes) (SNP)  
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (East Lothian) (Lab)  
 Griffin, Mark (Central Scotland) (Lab)  
 Harper, Emma (South Scotland) (SNP)  
 Harvie, Patrick (Glasgow) (Green)  
 Haughey, Clare (Rutherglen) (SNP)  
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)  
 Hyslop, Fiona (Linlithgow) (SNP)  
 Johnson, Daniel (Edinburgh Southern) (Lab)  
 Johnstone, Alison (Lothian) (Green)  
 Kelly, James (Glasgow) (Lab)  
 Kidd, Bill (Glasgow Anniesland) (SNP)  
 Lamont, Johann (Glasgow) (Lab)  
 Lennon, Monica (Central Scotland) (Lab)  
 Leonard, Richard (Central Scotland) (Lab)  
 Lochhead, Richard (Moray) (SNP)  
 Lyle, Richard (Uddingston and Bellshill) (SNP)  
 MacDonald, Angus (Falkirk East) (SNP)  
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)  
 Macdonald, Lewis (North East Scotland) (Lab)  
 MacGregor, Fulton (Coatbridge and Chryston) (SNP)  
 Mackay, Derek (Renfrewshire North and West) (SNP)  
 Mackay, Rona (Strathkelvin and Bearsden) (SNP)  
 Macpherson, Ben (Edinburgh Northern and Leith) (SNP)  
 Maguire, Ruth (Cunninghame South) (SNP)  
 Martin, Gillian (Aberdeenshire East) (SNP)  
 Mason, John (Glasgow Shettleston) (SNP)  
 Matheson, Michael (Falkirk West) (SNP)  
 McAlpine, Joan (South Scotland) (SNP)  
 McArthur, Liam (Orkney Islands) (LD)  
 McDonald, Mark (Aberdeen Donside) (SNP)  
 McKee, Ivan (Glasgow Provan) (SNP)  
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)  
 McMillan, Stuart (Greenock and Inverclyde) (SNP)  
 McNeill, Pauline (Glasgow) (Lab)  
 Neil, Alex (Airdrie and Shotts) (SNP)  
 Paterson, Gil (Clydebank and Milngavie) (SNP)  
 Rennie, Willie (North East Fife) (LD)  
 Robison, Shona (Dundee City East) (SNP)  
 Ross, Gail (Caithness, Sutherland and Ross) (SNP)  
 Rowley, Alex (Mid Scotland and Fife) (Lab)  
 Ruskell, Mark (Mid Scotland and Fife) (Green)  
 Russell, Michael (Argyll and Bute) (SNP)  
 Sarwar, Anas (Glasgow) (Lab)  
 Smyth, Colin (South Scotland) (Lab)  
 Somerville, Shirley-Anne (Dunfermline) (SNP)  
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)  
 Stewart, David (Highlands and Islands) (Lab)  
 Stewart, Kevin (Aberdeen Central) (SNP)  
 Sturgeon, Nicola (Glasgow Southside) (SNP)

Swinney, John (Perthshire North) (SNP)  
 Todd, Maree (Highlands and Islands) (SNP)  
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)  
 Wheelhouse, Paul (South Scotland) (SNP)  
 White, Sandra (Glasgow Kelvin) (SNP)  
 Wightman, Andy (Lothian) (Green)  
 Yousaf, Humza (Glasgow Pollok) (SNP)

**The Presiding Officer:** The result of the division is: For 29, Against 88, Abstentions 0.

*Amendment disagreed to.*

**The Presiding Officer:** The next question is, that amendment S5M-02488.3, in the name of Jackie Baillie, which seeks to amend motion S5M-02488, in the name of Keith Brown, on the single market and trade and the EU referendum, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

#### For

Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Claire (Mid Scotland and Fife) (Lab)  
 Bibby, Neil (West Scotland) (Lab)  
 Dugdale, Kezia (Lothian) (Lab)  
 Fee, Mary (West Scotland) (Lab)  
 Findlay, Neil (Lothian) (Lab)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (East Lothian) (Lab)  
 Griffin, Mark (Central Scotland) (Lab)  
 Johnson, Daniel (Edinburgh Southern) (Lab)  
 Kelly, James (Glasgow) (Lab)  
 Lamont, Johann (Glasgow) (Lab)  
 Lennon, Monica (Central Scotland) (Lab)  
 Leonard, Richard (Central Scotland) (Lab)  
 Macdonald, Lewis (North East Scotland) (Lab)  
 McNeill, Pauline (Glasgow) (Lab)  
 Rowley, Alex (Mid Scotland and Fife) (Lab)  
 Sarwar, Anas (Glasgow) (Lab)  
 Smyth, Colin (South Scotland) (Lab)  
 Stewart, David (Highlands and Islands) (Lab)

#### Against

Adam, George (Paisley) (SNP)  
 Adamson, Clare (Motherwell and Wishaw) (SNP)  
 Allan, Alasdair (Na h-Eileanan an Iar) (SNP)  
 Arthur, Tom (Renfrewshire South) (SNP)  
 Balfour, Jeremy (Lothian) (Con)  
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)  
 Briggs, Miles (Lothian) (Con)  
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)  
 Burnett, Alexander (Aberdeenshire West) (Con)  
 Cameron, Donald (Highlands and Islands) (Con)  
 Campbell, Aileen (Clydesdale) (SNP)  
 Carlaw, Jackson (Eastwood) (Con)  
 Chapman, Peter (North East Scotland) (Con)  
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)  
 Cole-Hamilton, Alex (Edinburgh Western) (LD)  
 Constance, Angela (Almond Valley) (SNP)  
 Corry, Maurice (West Scotland) (Con)  
 Crawford, Bruce (Stirling) (SNP)  
 Davidson, Ruth (Edinburgh Central) (Con)  
 Denham, Ash (Edinburgh Eastern) (SNP)  
 Dey, Graeme (Angus South) (SNP)  
 Doris, Bob (Glasgow Maryhill and Springburn) (SNP)  
 Dornan, James (Glasgow Cathcart) (SNP)  
 Ewing, Annabelle (Cowdenbeath) (SNP)

Ewing, Fergus (Inverness and Nairn) (SNP)  
 Fabiani, Linda (East Kilbride) (SNP)  
 Finnie, John (Highlands and Islands) (Green)  
 FitzPatrick, Joe (Dundee City West) (SNP)  
 Forbes, Kate (Skye, Lochaber and Badenoch) (SNP)  
 Fraser, Murdo (Mid Scotland and Fife) (Con)  
 Freeman, Jeane (Carrick, Cumnock and Doon Valley) (SNP)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gilruth, Jenny (Mid Fife and Glenrothes) (SNP)  
 Golden, Maurice (West Scotland) (Con)  
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)  
 Greene, Jamie (West Scotland) (Con)  
 Hamilton, Rachael (South Scotland) (Con)  
 Harper, Emma (South Scotland) (SNP)  
 Harris, Alison (Central Scotland) (Con)  
 Harvie, Patrick (Glasgow) (Green)  
 Haughey, Clare (Rutherglen) (SNP)  
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)  
 Hyslop, Fiona (Linlithgow) (SNP)  
 Johnstone, Alison (Lothian) (Green)  
 Kerr, Liam (North East Scotland) (Con)  
 Kidd, Bill (Glasgow Anniesland) (SNP)  
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)  
 Lindhurst, Gordon (Lothian) (Con)  
 Lochhead, Richard (Moray) (SNP)  
 Lockhart, Dean (Mid Scotland and Fife) (Con)  
 Lyle, Richard (Uddingston and Bellshill) (SNP)  
 MacDonald, Angus (Falkirk East) (SNP)  
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)  
 MacGregor, Fulton (Coatbridge and Chryston) (SNP)  
 Mackay, Derek (Renfrewshire North and West) (SNP)  
 Mackay, Rona (Strathkelvin and Bearsden) (SNP)  
 Macpherson, Ben (Edinburgh Northern and Leith) (SNP)  
 Maguire, Ruth (Cunninghame South) (SNP)  
 Martin, Gillian (Aberdeenshire East) (SNP)  
 Mason, John (Glasgow Shettleston) (SNP)  
 Matheson, Michael (Falkirk West) (SNP)  
 McAlpine, Joan (South Scotland) (SNP)  
 McArthur, Liam (Orkney Islands) (LD)  
 McDonald, Mark (Aberdeen Donside) (SNP)  
 McKee, Ivan (Glasgow Provan) (SNP)  
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)  
 McMillan, Stuart (Greenock and Inverclyde) (SNP)  
 Mitchell, Margaret (Central Scotland) (Con)  
 Mountain, Edward (Highlands and Islands) (Con)  
 Mundell, Oliver (Dumfriesshire) (Con)  
 Neil, Alex (Airdrie and Shotts) (SNP)  
 Paterson, Gil (Clydebank and Milngavie) (SNP)  
 Rennie, Willie (North East Fife) (LD)  
 Robison, Shona (Dundee City East) (SNP)  
 Ross, Douglas (Highlands and Islands) (Con)  
 Ross, Gail (Caithness, Sutherland and Ross) (SNP)  
 Ruskell, Mark (Mid Scotland and Fife) (Green)  
 Russell, Michael (Argyll and Bute) (SNP)  
 Scott, John (Ayr) (Con)  
 Simpson, Graham (Central Scotland) (Con)  
 Smith, Liz (Mid Scotland and Fife) (Con)  
 Somerville, Shirley-Anne (Dunfermline) (SNP)  
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)  
 Stewart, Alexander (Mid Scotland and Fife) (Con)  
 Stewart, Kevin (Aberdeen Central) (SNP)  
 Sturgeon, Nicola (Glasgow Southside) (SNP)  
 Swinney, John (Perthshire North) (SNP)  
 Thomson, Ross (North East Scotland) (Con)  
 Todd, Maree (Highlands and Islands) (SNP)  
 Tomkins, Adam (Glasgow) (Con)  
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)  
 Wells, Annie (Glasgow) (Con)

Wheelhouse, Paul (South Scotland) (SNP)  
 White, Sandra (Glasgow Kelvin) (SNP)  
 Whittle, Brian (South Scotland) (Con)  
 Wightman, Andy (Lothian) (Green)  
 Yousaf, Humza (Glasgow Pollok) (SNP)

**The Presiding Officer:** The result of the division is: For 20, Against 97, Abstentions 0.

*Amendment disagreed to.*

**The Presiding Officer:** The next question is, that amendment S5M-02488.1, in the name of Willie Rennie, which seeks to amend motion S5M-02488, in the name of Keith Brown, on the single market and trade and the EU referendum, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

**For**

Cole-Hamilton, Alex (Edinburgh Western) (LD)  
 McArthur, Liam (Orkney Islands) (LD)  
 Rennie, Willie (North East Fife) (LD)

**Against**

Adam, George (Paisley) (SNP)  
 Adamson, Clare (Motherwell and Wishaw) (SNP)  
 Allan, Alasdair (Na h-Eileanan an Iar) (SNP)  
 Arthur, Tom (Renfrewshire South) (SNP)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Claire (Mid Scotland and Fife) (Lab)  
 Balfour, Jeremy (Lothian) (Con)  
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)  
 Bibby, Neil (West Scotland) (Lab)  
 Briggs, Miles (Lothian) (Con)  
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)  
 Burnett, Alexander (Aberdeenshire West) (Con)  
 Cameron, Donald (Highlands and Islands) (Con)  
 Campbell, Aileen (Clydesdale) (SNP)  
 Carlaw, Jackson (Eastwood) (Con)  
 Chapman, Peter (North East Scotland) (Con)  
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)  
 Constance, Angela (Almond Valley) (SNP)  
 Corry, Maurice (West Scotland) (Con)  
 Crawford, Bruce (Stirling) (SNP)  
 Davidson, Ruth (Edinburgh Central) (Con)  
 Denham, Ash (Edinburgh Eastern) (SNP)  
 Dey, Graeme (Angus South) (SNP)  
 Doris, Bob (Glasgow Maryhill and Springburn) (SNP)  
 Dornan, James (Glasgow Cathcart) (SNP)  
 Dugdale, Kezia (Lothian) (Lab)  
 Ewing, Annabelle (Cowdenbeath) (SNP)  
 Ewing, Fergus (Inverness and Nairn) (SNP)  
 Fabiani, Linda (East Kilbride) (SNP)  
 Fee, Mary (West Scotland) (Lab)  
 Findlay, Neil (Lothian) (Lab)  
 FitzPatrick, Joe (Dundee City West) (SNP)  
 Forbes, Kate (Skye, Lochaber and Badenoch) (SNP)  
 Fraser, Murdo (Mid Scotland and Fife) (Con)  
 Freeman, Jeane (Carrick, Cumnock and Doon Valley) (SNP)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gilruth, Jenny (Mid Fife and Glenrothes) (SNP)  
 Golden, Maurice (West Scotland) (Con)  
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (East Lothian) (Lab)  
 Greene, Jamie (West Scotland) (Con)

Griffin, Mark (Central Scotland) (Lab)  
 Hamilton, Rachael (South Scotland) (Con)  
 Harper, Emma (South Scotland) (SNP)  
 Harris, Alison (Central Scotland) (Con)  
 Haughey, Clare (Rutherglen) (SNP)  
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)  
 Hyslop, Fiona (Linlithgow) (SNP)  
 Johnson, Daniel (Edinburgh Southern) (Lab)  
 Kelly, James (Glasgow) (Lab)  
 Kerr, Liam (North East Scotland) (Con)  
 Kidd, Bill (Glasgow Anniesland) (SNP)  
 Lamont, Johann (Glasgow) (Lab)  
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)  
 Lennon, Monica (Central Scotland) (Lab)  
 Leonard, Richard (Central Scotland) (Lab)  
 Lindhurst, Gordon (Lothian) (Con)  
 Lochhead, Richard (Moray) (SNP)  
 Lockhart, Dean (Mid Scotland and Fife) (Con)  
 Lyle, Richard (Uddingston and Bellshill) (SNP)  
 MacDonald, Angus (Falkirk East) (SNP)  
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)  
 Macdonald, Lewis (North East Scotland) (Lab)  
 MacGregor, Fulton (Coatbridge and Chryston) (SNP)  
 Mackay, Derek (Renfrewshire North and West) (SNP)  
 Mackay, Rona (Strathkelvin and Bearsden) (SNP)  
 Macpherson, Ben (Edinburgh Northern and Leith) (SNP)  
 Maguire, Ruth (Cunninghame South) (SNP)  
 Martin, Gillian (Aberdeenshire East) (SNP)  
 Mason, John (Glasgow Shettleston) (SNP)  
 Matheson, Michael (Falkirk West) (SNP)  
 McAlpine, Joan (South Scotland) (SNP)  
 McDonald, Mark (Aberdeen Donside) (SNP)  
 McKee, Ivan (Glasgow Provan) (SNP)  
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)  
 McMillan, Stuart (Greenock and Inverclyde) (SNP)  
 McNeill, Pauline (Glasgow) (Lab)  
 Mitchell, Margaret (Central Scotland) (Con)  
 Mountain, Edward (Highlands and Islands) (Con)  
 Mundell, Oliver (Dumfriesshire) (Con)  
 Neil, Alex (Airdrie and Shotts) (SNP)  
 Paterson, Gil (Clydebank and Milngavie) (SNP)  
 Robison, Shona (Dundee City East) (SNP)  
 Ross, Douglas (Highlands and Islands) (Con)  
 Ross, Gail (Caithness, Sutherland and Ross) (SNP)  
 Rowley, Alex (Mid Scotland and Fife) (Lab)  
 Russell, Michael (Argyll and Bute) (SNP)  
 Sarwar, Anas (Glasgow) (Lab)  
 Scott, John (Ayr) (Con)  
 Simpson, Graham (Central Scotland) (Con)  
 Smith, Liz (Mid Scotland and Fife) (Con)  
 Smyth, Colin (South Scotland) (Lab)  
 Somerville, Shirley-Anne (Dunfermline) (SNP)  
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)  
 Stewart, Alexander (Mid Scotland and Fife) (Con)  
 Stewart, David (Highlands and Islands) (Lab)  
 Stewart, Kevin (Aberdeen Central) (SNP)  
 Sturgeon, Nicola (Glasgow Southside) (SNP)  
 Swinney, John (Perthshire North) (SNP)  
 Thomson, Ross (North East Scotland) (Con)  
 Todd, Maree (Highlands and Islands) (SNP)  
 Tomkins, Adam (Glasgow) (Con)  
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)  
 Wells, Annie (Glasgow) (Con)  
 Wheelhouse, Paul (South Scotland) (SNP)  
 White, Sandra (Glasgow Kelvin) (SNP)  
 Whittle, Brian (South Scotland) (Con)  
 Yousaf, Humza (Glasgow Pollok) (SNP)

### Abstentions

Finnie, John (Highlands and Islands) (Green)  
 Harvie, Patrick (Glasgow) (Green)  
 Johnstone, Alison (Lothian) (Green)  
 Ruskell, Mark (Mid Scotland and Fife) (Green)  
 Wightman, Andy (Lothian) (Green)

**The Presiding Officer:** The result of the division is: For 3, Against 109, Abstentions 5.

*Amendment disagreed to.*

**The Presiding Officer:** The final question is, that motion S5M-02488, in the name of Keith Brown, on the single market and trade, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

### For

Adam, George (Paisley) (SNP)  
 Adamson, Clare (Motherwell and Wishaw) (SNP)  
 Allan, Alasdair (Na h-Eileanan an Iar) (SNP)  
 Arthur, Tom (Renfrewshire South) (SNP)  
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)  
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)  
 Campbell, Aileen (Clydesdale) (SNP)  
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)  
 Constance, Angela (Almond Valley) (SNP)  
 Crawford, Bruce (Stirling) (SNP)  
 Denham, Ash (Edinburgh Eastern) (SNP)  
 Dey, Graeme (Angus South) (SNP)  
 Doris, Bob (Glasgow Maryhill and Springburn) (SNP)  
 Dornan, James (Glasgow Cathcart) (SNP)  
 Ewing, Annabelle (Cowdenbeath) (SNP)  
 Ewing, Fergus (Inverness and Nairn) (SNP)  
 Fabiani, Linda (East Kilbride) (SNP)  
 Finnie, John (Highlands and Islands) (Green)  
 FitzPatrick, Joe (Dundee City West) (SNP)  
 Forbes, Kate (Skye, Lochaber and Badenoch) (SNP)  
 Freeman, Jeane (Carrick, Cumnock and Doon Valley) (SNP)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gilruth, Jenny (Mid Fife and Glenrothes) (SNP)  
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)  
 Harper, Emma (South Scotland) (SNP)  
 Harvie, Patrick (Glasgow) (Green)  
 Haughey, Clare (Rutherglen) (SNP)  
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)  
 Hyslop, Fiona (Linlithgow) (SNP)  
 Johnstone, Alison (Lothian) (Green)  
 Kidd, Bill (Glasgow Anniesland) (SNP)  
 Lochhead, Richard (Moray) (SNP)  
 Lyle, Richard (Uddingston and Bellshill) (SNP)  
 MacDonald, Angus (Falkirk East) (SNP)  
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)  
 MacGregor, Fulton (Coatbridge and Chryston) (SNP)  
 Mackay, Derek (Renfrewshire North and West) (SNP)  
 Mackay, Rona (Strathkelvin and Bearsden) (SNP)  
 Macpherson, Ben (Edinburgh Northern and Leith) (SNP)  
 Maguire, Ruth (Cunninghame South) (SNP)  
 Martin, Gillian (Aberdeenshire East) (SNP)  
 Mason, John (Glasgow Shettleston) (SNP)  
 Matheson, Michael (Falkirk West) (SNP)  
 McAlpine, Joan (South Scotland) (SNP)  
 McDonald, Mark (Aberdeen Donside) (SNP)  
 McKee, Ivan (Glasgow Provan) (SNP)  
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)

McMillan, Stuart (Greenock and Inverclyde) (SNP)  
 Neil, Alex (Airdrie and Shotts) (SNP)  
 Paterson, Gil (Clydebank and Milngavie) (SNP)  
 Robison, Shona (Dundee City East) (SNP)  
 Ross, Gail (Caithness, Sutherland and Ross) (SNP)  
 Ruskell, Mark (Mid Scotland and Fife) (Green)  
 Russell, Michael (Argyll and Bute) (SNP)  
 Somerville, Shirley-Anne (Dunfermline) (SNP)  
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)  
 Stewart, Kevin (Aberdeen Central) (SNP)  
 Sturgeon, Nicola (Glasgow Southside) (SNP)  
 Swinney, John (Perthshire North) (SNP)  
 Todd, Maree (Highlands and Islands) (SNP)  
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)  
 Wheelhouse, Paul (South Scotland) (SNP)  
 White, Sandra (Glasgow Kelvin) (SNP)  
 Wightman, Andy (Lothian) (Green)  
 Yousaf, Humza (Glasgow Pollok) (SNP)

### Against

Balfour, Jeremy (Lothian) (Con)  
 Briggs, Miles (Lothian) (Con)  
 Burnett, Alexander (Aberdeenshire West) (Con)  
 Cameron, Donald (Highlands and Islands) (Con)  
 Carlaw, Jackson (Eastwood) (Con)  
 Chapman, Peter (North East Scotland) (Con)  
 Cole-Hamilton, Alex (Edinburgh Western) (LD)  
 Corry, Maurice (West Scotland) (Con)  
 Davidson, Ruth (Edinburgh Central) (Con)  
 Fraser, Murdo (Mid Scotland and Fife) (Con)  
 Golden, Maurice (West Scotland) (Con)  
 Greene, Jamie (West Scotland) (Con)  
 Hamilton, Rachael (South Scotland) (Con)  
 Harris, Alison (Central Scotland) (Con)  
 Kerr, Liam (North East Scotland) (Con)  
 Lamont, John (Ettrick, Roxburgh and Berwickshire) (Con)  
 Lindhurst, Gordon (Lothian) (Con)  
 Lockhart, Dean (Mid Scotland and Fife) (Con)  
 McArthur, Liam (Orkney Islands) (LD)  
 Mitchell, Margaret (Central Scotland) (Con)  
 Mountain, Edward (Highlands and Islands) (Con)  
 Mundell, Oliver (Dumfriesshire) (Con)  
 Rennie, Willie (North East Fife) (LD)  
 Ross, Douglas (Highlands and Islands) (Con)  
 Scott, John (Ayr) (Con)  
 Simpson, Graham (Central Scotland) (Con)  
 Smith, Liz (Mid Scotland and Fife) (Con)  
 Stewart, Alexander (Mid Scotland and Fife) (Con)  
 Thomson, Ross (North East Scotland) (Con)  
 Tomkins, Adam (Glasgow) (Con)  
 Wells, Annie (Glasgow) (Con)  
 Whittle, Brian (South Scotland) (Con)

### Abstentions

Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Claire (Mid Scotland and Fife) (Lab)  
 Bibby, Neil (West Scotland) (Lab)  
 Dugdale, Kezia (Lothian) (Lab)  
 Fee, Mary (West Scotland) (Lab)  
 Findlay, Neil (Lothian) (Lab)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (East Lothian) (Lab)  
 Griffin, Mark (Central Scotland) (Lab)  
 Johnson, Daniel (Edinburgh Southern) (Lab)  
 Kelly, James (Glasgow) (Lab)  
 Lamont, Johann (Glasgow) (Lab)  
 Lennon, Monica (Central Scotland) (Lab)  
 Leonard, Richard (Central Scotland) (Lab)  
 Macdonald, Lewis (North East Scotland) (Lab)  
 McNeill, Pauline (Glasgow) (Lab)  
 Rowley, Alex (Mid Scotland and Fife) (Lab)

Sarwar, Anas (Glasgow) (Lab)  
 Smyth, Colin (South Scotland) (Lab)  
 Stewart, David (Highlands and Islands) (Lab)

**The Presiding Officer:** The result of the division is: For 65, Against 32, Abstentions 20.

### *Motion agreed to,*

That the Parliament recognises the overwhelming vote of the people of Scotland to remain in the EU; supports calls for clarity from the UK Government on its proposals to leave the EU, including whether it will seek continued membership of the single market; notes the reports of the Fraser of Allander Institute and the National Institute of Social and Economic Research regarding the negative impact that leaving the single market would have on the UK and Scottish economies; recognises the opportunities for business and citizens that come from a Europe-wide approach to trade, regulation and free movement and the importance of ensuring that the benefits of this are shared fairly across society; supports the Scottish Government's efforts to assist businesses in Scotland to secure new international opportunities; believes that the UK Government should seek to maintain Scotland's place in the single market, and, in the event that the UK Government cannot or will not secure that option, calls for Scotland's place in the single market to be fully protected.

## Women-led Business

**The Deputy Presiding Officer (Christine Grahame):** The next item of business is a members' business debate on motion S5M-01890, in the name of Jackie Baillie, on supporting women-led businesses and global entrepreneurship week. The debate will be concluded without any question being put.

Those members who wish to speak should press their request-to-speak buttons now. I call Jackie Baillie to open the debate. You have seven minutes, please, Ms Baillie.

### *Motion debated,*

That the Parliament welcomes initiatives taking place during Global Entrepreneurship Week from 14 to 18 November 2016 and, in particular, the work of Women's Enterprise Scotland in promoting and supporting women into business; notes that women business owners will be attending the Parliament on 15 November to take part in training so that more women are available to give evidence to parliamentary committees, and also to speak to MSPs at the invitation of the newly-established Cross Party Group on Women in Enterprise; considers that women are still held back by gender-blind policy making in economic development, and highlights the importance of work to tackle the gender gap in enterprise in Scotland; further considers that adopting a gender-appropriate approach to all enterprise and growth policies is critical to meet the needs of women-led businesses and to unlock the economic potential of women in Scotland; acknowledges that the gathering and analysis of gender-disaggregated data is crucial to support measurement of the economic impact in closing the gender gap in enterprise, and recognises that if the rates of women-led businesses equalled those of men, the contribution to Scotland's GVA would increase from £7.6 billion to £13 billion, representing a 5.4% growth in the Scottish economy.

17:07

**Jackie Baillie (Dumbarton) (Lab):** Thank you very much, Presiding Officer. It gives me great pleasure to open this debate about the importance of women in enterprise during global entrepreneurship week. This annual event is about getting more people involved in thinking about setting up in business, and tomorrow there is a specific focus on women's entrepreneurship, aptly named women's Wednesday. Our ambition should be to have the focus on women's enterprise every day and not just one day of the week.

I pay tribute to the work of Women's Enterprise Scotland. Working together with its partners, WES has ensured that Scotland is leading Europe on a best-practice approach to women's enterprise. WES is celebrating this week by bringing together its ambassadors, who come from all different businesses and backgrounds. They act as really encouraging role models for women who are starting out in business—the knowledge that someone has done it already and faced barriers

but overcome them is empowering, indeed. I very much welcome many of the ambassadors to the public gallery this evening.

After the debate, we will move on to a cross-party group meeting on women's enterprise, convened by my colleague Gillian Martin; I invite any members who are free to come along and learn.

The contribution of women-led businesses to the Scottish economy is significant, but it could be even more substantial. Although women represent 51 per cent of the population, just 20 per cent of businesses are majority owned by women. The Organisation for Economic Co-operation and Development average is 30 per cent, so we are lagging well behind. Fewer than 2 per cent of working women in the United Kingdom are business owners, compared with the OECD average of 10 per cent. Those stats are clearly not great.

The number of women-led small and medium-sized businesses has fallen from 22 to 20 per cent since the Scottish Government was elected in 2007. We all share an ambition to increase the number of women-led businesses, but for me that demonstrates that we need to get beyond the warm words and take substantive action. Women are underrepresented in many of the growth sectors that are targeted by Scottish Enterprise. Research was carried out in 2013 that sought to identify the number of female managing directors or chief executive officers in companies with a turnover of more than £5.6 million or with 250 plus employees. Of the 5,230 companies that fit that category, only 1 per cent were led by women—just 1 per cent—and 408 were account managed by Scottish Enterprise, which is good, but only 3 per cent of those were female led. That shows what a huge distance we still need to travel.

However, it also shows that there is a huge opportunity. We know that women-led businesses contribute at least £5 billion in gross value added every year to the Scottish economy. If the number of women-led businesses equalled the number led by men, the contribution to Scotland's GVA would increase by £7.6 billion, taking it to £13 billion each year. That is more than a 5 per cent increase in the size of the Scottish economy, which is truly staggering.

There is such potential to grow our economy, but we need to do much more to encourage that to happen. We have a strategic framework for women's enterprise in Scotland, and I disagree with very little in it, but where is the action and the resource required to make it real? We need a step change in effort if we are to create opportunities to grow women's enterprise and unlock that potential.

The Scottish Enterprise figure should not make for comfortable reading. It is an illustration of gender blindness in policy making. Focus is placed on high-growth companies and women-specific growth support is not provided because women-led businesses do not meet the thresholds, so they are largely excluded from growth support. However, we know that women's businesses are different. There are different skills and experiences and they have slower but often more sustainable growth, yet we do not recognise that difference in the support that we provide.

Let me offer the minister some food for thought. Let us make sure that there is an understanding of the difference. All SE and HIE account managers should be given gender-appropriate training that reflects the differing nature of women's enterprise. Let us do that for business gateway advisers as well. There are some really good examples of best practice across the country, but that is not standard. It should be happening everywhere.

Let us also start collecting stats. I had a debate with someone called Eddie on "Call Kaye" this morning. It was fascinating, but I hope never to debate with him again, because he accused me of making up the stats—of sitting at my desk and somehow twiddling the figures. However, stats are not optional or voluntary, and I do not make them up. If we are serious and mean business, we need to know about women's enterprise. We need to know the number and nature of businesses, what helps them to start up and what helps them to grow. At the moment, we do not really bother to count that in a systematic way. Even the Scottish Government's publication "Businesses in Scotland" simply fails to disaggregate the data by gender, so we do not know how many businesses are women led.

There is so much more to do, at local level with business gateway, at national level with SE and HIE and with the Scottish Government, too. Let us identify what matters and then measure it, because only then will we know whether we are succeeding. Let us set a target against which the enterprise agencies and Government will be held accountable, because that will focus attention.

Finally, let us have more gender-appropriate services. Let us review the existing approach and remove the barriers to women setting up in business. There is a clear need to mainstream a gender-sensitive approach in all entrepreneurship and growth policies so that we meet the specific characteristics, needs and challenges of women setting up in business.

Let me remind members why that is so important. We could grow our economy by a staggering 5 per cent—more growth, more jobs and more revenue through taxes for public services. At a time of economic uncertainty,

slowing growth and public sector cuts, what is not to like about that? I urge the minister to work with Women's Enterprise Scotland, local government and the enterprise agencies in devising that more focused approach.

We do not need more pilot projects. We do not need little announcements of small amounts of money. What we need is a step change in policy and resourcing. This issue needs to be mainstream, not just added on.

Finally, it is only when we do those things and encourage more women into business that we will unlock the potential for our economy. That potential, quite simply, is huge.

**The Deputy Presiding Officer:** I enjoy your "finally, finallys", Ms Baillie.

17:15

**Gillian Martin (Aberdeenshire East) (SNP):** If there is one number that members remember after listening to our contributions, make it this one: £7.6 billion. That is how many pounds would go into the Scottish economy if the same number of women as men started up in business every year.

How many jobs would be created if that were achieved? How much income tax would be generated? How many of those businesses might go on to operate globally? How many girls would be encouraged by looking at that changed landscape?

The big question is why there is still a stubborn gender enterprise gap. What are we doing to close that gap and maximise our economic potential, both globally and nationally?

I have only four minutes, so I focus on two reasons: gender blindness in business support and endemic discriminatory attitudes in the business world. The Federation of Small Businesses found that more than a third of women business owners have experienced discrimination as businesswomen; common instances were mistakes about a woman's role in the business and assumptions that a male employee was the business owner. A Glasgow businesswoman who runs two very successful bars in the city with her husband told me that suppliers would automatically presume that they should speak to her husband about business decisions. One incredible instance was when she and her husband visited a brewery as potential clients. On their arrival, the brewery manager suggested to her husband:

"Your wife might like to have a browse in the gift shop while we have our meeting."

Is it any wonder that he lost their business? We have work to do before attitudes like that are a thing of the past. What better way of tackling those

attitudes than ensuring that enterprise is full of strong, successful women.

Research and feedback highlight the issue and impact of structural discrimination for women-led businesses when they access enterprise support. Ms Baillie referred to that discrimination and pointed out that only three per cent of Scottish Enterprise managed accounts are female-led. Criticism has focused on the narrow parameters of the criteria on which that support is allocated.

Research shows that women are more modest when talking about their successes and less likely to see their businesses as prospering, even when they report higher profits than their male counterparts. Turnover is not their only priority; women who lead businesses view growth as a sustainable process rather than a fast, high trajectory. They focus on broader community measures such as employment, fair working practices and quality of service and product, rather than just turnover. Seventy-eight per cent of respondents to the Women's Enterprise Scotland survey stated that services should be more aware of the differences in support needs between women and men in business; appropriate peer support was listed as being particularly desirable.

Today, I welcome to Parliament two groups of incredible women entrepreneurs, some of whom are in the public gallery. They include business ambassadors from Women's Enterprise Scotland who are playing a vital role in mentoring women who are starting, or growing, their businesses. Tonight, the cross-party group that I convene on women in enterprise will hear from wives and partners of servicemen. They have just completed the first Women's Enterprise Scotland business creation course at Glencorse barracks; in only 10 weeks, women who were previously economically inactive have started up trading businesses. I encourage mainstream business support agencies to look at how those successful support programmes have worked and to be open to adopting some of their innovative mentoring strategies.

Global entrepreneurship does not happen without the right kind of support. If we still have a gender enterprise gap in 2016, we must look again at how we nurture the seedlings of small businesses run by women so that the female global entrepreneurs of the future get the best possible chance of being discovered.

17:19

**Annie Wells (Glasgow) (Con):** I want to echo the sentiments that have been expressed in the chamber today regarding the great work that Women's Enterprise Scotland and the Association of Scottish Businesswomen do in supporting

women into business, and thank Gillian Martin for setting up the cross-party group on women in enterprise.

Women play a pivotal role in the economy across the UK, and businesses that are led by women contribute billions to the economy. Since 2010, there has been an increase of about 170,000 small and medium-sized enterprises in the UK, and those businesses contribute around £85 billion per year in GVA to the UK non-financial business economy.

Real progress has been made. We now have the highest number of women in work on record, and there are no longer any male-only boards in the FTSE 100. However, I am under no illusion about the fact that more needs to be done by the UK Government and the Scottish Government.

There is widespread consensus that a better gender balance would benefit our economy. As Jackie Baillie has rightly pointed out, if there was equal participation of women in business, the contribution to Scotland's GVA could increase by as much as £5.5 billion.

Analysis shows that only 31 per cent of women feel that they have the skills to start a business, compared to nearly 50 per cent of men. Further, nearly 50 per cent of women, compared with under 40 per cent of men, say that fear of failure would stop them from starting a business.

What would improve this situation and constitute a gender-appropriate approach to all enterprise and growth policies? It should not be the case that women have to choose between having a successful career and having a baby. They should always be able to pursue their goals. That is why I welcome the Scottish Government's plan to raise the number of childcare hours to 30 hours a week in line with the UK changes, as well as a later commitment to a more flexible system. I also welcome the UK Government's introduction of a new shared parental leave scheme, which will benefit mothers in Scotland.

However, as the figures show, encouraging women into business also depends on the advice and support that is on offer, as well as on sending a wider message to women that they are capable of starting their own businesses.

A survey of women-owned businesses in 2014 found that mentoring was a popular choice among respondents. Nearly a quarter stated that they would like a mentor in the future and 90 per cent of those who had been mentored said that they felt that it had been helpful. Women's Enterprise Scotland has been instrumental in that regard, championing gender-specific enterprise support and a network in which women can collaborate and communicate.



In the region that I represent—Glasgow—I was pleased to see the work of Scottish Women in Business, a charity organisation that holds monthly networking events that allow women to meet and do business.

I was also encouraged to see the UK Government's announcement last year of £50,000 of funding to create new networking opportunities for women in business through its meet a mentor scheme. The example of Monica Coyle who, after attending a meet a mentor event in Glasgow earlier this year, went on to start her own fledgling enterprise—Positive Pulse Scotland—shows that these methods work, and I welcome any continued initiatives in that regard.

If we are to see the equalisation of women in business, we must be bold in our approach. Of course, I welcome the record number of women in business, but I echo the view expressed by those in chamber today, and by Jackie Baillie's motion, that much more needs to be done.

17:23

**Kezia Dugdale (Lothian) (Lab):** I congratulate Jackie Baillie on securing this debate and pay tribute to her efforts in this field.

I never thought that I would do this in the chamber, or, indeed, in my political life, but I also want to pay tribute to another group of people: the bankers. I would be grateful if the chamber would allow me to explain myself over the next few minutes.

I want to pay tribute to not just any bankers, but the Royal Bank of Scotland in particular, which is the market leader when it comes to supporting women in business. RBS has 400 women in business specialists across the United Kingdom, working with female entrepreneurs every day. In its most recent entrepreneurship monitor, it talks about the differences between the type of support that women and men need in business and cautions us, saying that, although those differences are small, they have been consistent throughout all the times that it has issued its monitoring report. RBS notes a variety of reasons why women might be less likely than men to go into business, including the fact that women are more likely to experience a fear of failure; that women worry more about finding start-up money to enable them to take that leap into business; that women worry more in general about the economic situation facing the country; and that women worry more about their skill set and the abilities that they might or might not have.

Further, RBS examines the type of business that women are more likely to start up, and notes that the measures of success are different for women than for men. Women tend to be far more

interested in producing a quality brand, whereas, surprisingly, the men are more interested in making a quick buck. There are substantial differences.

**The Deputy Presiding Officer:** I think you are upsetting Mr Leonard.

**Kezia Dugdale:** The conclusion that I draw from that is that women do not necessarily face any greater challenges in accessing business than men do, but they face different challenges. Any economic strategy that a Government argues for needs to cater for those different needs. If we end up with an economic strategy that is classically determined to meet the needs of men, of course we will lose out on the opportunity for women to step into business for the first time.

As other speakers have mentioned, overcoming those barriers is an economic imperative for us all, because of the economic growth that could come from doing so. The RBS report mentions potentially £60 billion-worth of additional revenue for the UK economy, which we all know would be critical to our public services.

There are two reasons why I want to thank the bankers. One is RBS's commitment to doing that work and to identifying those challenges from its experience. The second is the money that RBS puts directly into Entrepreneurial Spark, which members across the chamber may be familiar with. It offers direct support not just to women but to everybody to take a leap into business. I have had the great pleasure of visiting Entrepreneurial Spark in Brighton, Glasgow and, just yesterday, in Edinburgh, my home city. I was struck by the fantastic work that is taking place there.

Entrepreneurial Spark has also evaluated its work. It is interesting that the average age of a woman who accesses the programme is 30, while the average age of a man is 52. I asked to explore the reasons why that is, and heard that the reality is that the typical woman who uses Entrepreneurial Spark is returning to work after a period of looking after her kids—that is, returning to work full stop—whereas the typical man who uses it is seeking a change in career after something has happened in his life—a crisis point such as leaving the service. Those men are now looking to access help in starting a business from that perspective.

I met six women yesterday. One is setting up an urban dance company, somebody else is providing social media expertise for Edinburgh Airport through their own company, one has set up a marketing agency to pitch to bring major events to Scotland and another one is developing 21st-century harnesses for children. Another two women have set up a healthy chocolate factory. If women can achieve anything in this world, it would

be chocolate that is good for you—that is happening in Stirling right now. I have made a personal commitment to all those women that I will do what I can to support them in business, although the chances are far more likely that I will get to the chocolate factory than that I will go to the break-dancing sessions any time soon.

To conclude with the lessons from that experience, it was clear to me that to help women succeed in business, we need a combination of collaboration and environments like Entrepreneurial Spark that help women to overcome the barriers. Those barriers are not any greater than anyone else's—they are just different. We need an economic strategy that recognises that.

**The Deputy Presiding Officer:** Thank you. I think that the breaking news will be healthy chocolate, Ms Dugdale—that is all that we will remember from your speech.

17:28

**Ivan McKee (Glasgow Provan) (SNP):** I thank Jackie Baillie for bringing this debate to the Parliament and allowing us the opportunity to explore the important issues that it raises.

Scotland needs to be more enterprising. We suffer from a lack of start-up businesses—the problem is decades old, but we have seen advances in recent years. Fixing it requires a combination of changes in attitudes and policy. In some sectors in society, we have further to travel than in others. We see the problem in a lack of aspiration across many of our most deprived communities. We see it in low levels of business activity across marginalised groups in society. We see it in the stark contrast in business start-up rates and other key economic metrics between genders.

It is on that enterprise gender gap that we focus today. The motion mentions some numbers that are taken from the Women's Enterprise Scotland 2012 framework document. As we have heard, if women started businesses at the same rate as men, it would add another £7 billion to the gross value added in Scotland's economy, which would be a useful 5 per cent boost to the growth rate.

However, I believe that the size of the prize is potentially far greater. The culture of doing business is contagious, and embedding it transforms attitudes and performance. The creation of more women-led businesses would lead to the creation of more men-led, and jointly led, businesses, too. This is not a zero-sum game.

Business start-up requires creativity, seeing opportunities where others do not and figuring out new ways of meeting demand. Women often bring

a different perspective to problems, a different appreciation of market needs and a different understanding of how to successfully satisfy them. We cannot afford not to engage the innovative talents of half the population.

In my constituency, the east end connections network meets monthly at Drygate. It promotes all kinds of business locally and is ably led by Fiona Colbron-Brown. The network shows not only that women can start and lead businesses but that they can and should enable the structures that help those businesses to grow. Women are often great networkers, which is a key element of business growth and success.

Women's Enterprise Scotland, the organisation that is leading the way on the issue, makes some simple recommendations to support and encourage more women-led business start-ups. Those recommendations include gender-balanced panels and role models, appropriate language, tone and images in literature and advertising, and promotion through existing networks to ensure good gender balance at events.

Challenging gender-stereotyped attitudes that restrict the start-up and growth of women-led businesses will deliver benefits here and in other areas of the economy where the gender imbalance is marked. The pay gap is one of the most significant of those areas, and the need for more women in senior positions across the private, public and third sectors is another. Home-work balance, including in childcare responsibilities, is also correctly identified as a major barrier to women-led enterprises.

The recent Scottish Government report on the gender pay gap highlights the underlying drivers that work against there being more women in business. One of the most significant of those is persistent attitudes towards the stereotyped roles of women and men at home and in the workplace. There is a view across society that it is preferable for women, rather than men, to take on more of the work disruption that is associated with having a family. Family-friendly structures are often mentioned as enabling women to play more of an active economic role, but we will only make the huge strides that we need to make to equalise women's participation in business when we tackle the societal norms around gender-stereotyped roles. More women in business and more dads looking after kids are two sides of the same coin. Shared parenting is a key driver of gender balance in the economy.

The appetite for growth is there in the 87 per cent of women-led businesses that want to grow. We need those businesses to thrive to support our economy and to give the women who lead them, and many others who will follow in their wake, the

opportunity to realise their potential and contribute to Scotland's economy.

17:32

**Alison Harris (Central Scotland) (Con):** I thank Jackie Baillie for initiating such an important debate. As a woman who ran my own business in a previous life, I am delighted to contribute to it.

"Don't take a job, make a job!"

More people across the UK are following that maxim as they see self-employment as offering challenges and the prospect of good rewards. Unfortunately, too few are in Scotland and fewer still are women, with men still twice as likely as women to start up businesses. With only 21 per cent of Scotland's small and medium-sized businesses being led solely by women, there is a continued need to encourage a high level of business start-ups among women, particularly young women and women from minority backgrounds.

The headline figures indicate that more than 70,000 Scots women are registered business owners and almost 100,000 are self-employed. Those businesses contribute a minimum of £5 billion to the Scottish economy. However, the numbers involved are proportionally lower than in most other high-income countries, and it has been estimated that, if men and women had equal business start-up rates, a further 100,000 businesses would be established in Scotland.

Scottish Government figures show a decline in the number of new businesses, while the number across the rest of the UK is rising rapidly, so the contribution that women can make to boost business start-ups is more vital than ever. Scotland has 210 small businesses per 10,000 of the population, which is much less than the figure for the rest of the UK, and employment in Scotland is far more reliant on larger companies. Businesses drive growth in the economy, and women can play an important part in bridging the shortfall of business start-ups in Scotland.

Women who are already in business relish as positive reasons for having taken the plunge the challenges, independence and rewards, as well as some flexibility in working hours, particularly in relation to childcare arrangements. The ability to adapt to the range of skills that are necessary to run a successful business comes as readily to women as to men. Running a budget, dealing with issues and problems as they arise, administrative work, thinking for the longer term, and being able deal with the inevitable setbacks are well known to most women—multitasking.

Some skills are within individuals and some can be learned, but the framework for running a

successful business is heavily influenced by others. That is why we need to foster a true spirit of enterprise in Scotland, for everyone, from every background.

The Westminster Government, the Scottish Government and local government all need to play a part. They need to make setting up businesses easier by having less red tape and less form-filling and by keeping taxes as low as possible. We have recently discussed the importance of suitable childcare provision. Councils and others need to provide a suitable mix of retail and commercial units for start-ups.

More than two years ago, the framework and action plan for women's enterprise was published. By and large, it is a good document that recognises the need to increase entrepreneurship, if not the route to get there. However, more needs to be done to put that vision into action instead of the document becoming yet another from the Scottish Government that is left to gather dust.

The Scottish Government's encouragement and support for people to set up their own businesses must come through action, not words. Happily, there are excellent groups that promote women in business. The Association of Scottish Businesswomen offers great support and networking to women starting up businesses and to more established enterprises. It gives encouragement through its awards scheme. I congratulate Dorothy Henke of Forth Valley Chamber of Commerce in Falkirk on being named as one of the winners of the 2016 women of inspiration awards. Many other groups also do great work in enabling women's enterprise and creativity. I commend them all and once again thank Jackie Baillie for raising the topic.

17:36

**The Minister for Employability and Training (Jamie Hepburn):** I thank Jackie Baillie for bringing forward the debate. As she mentioned, the timing is particularly appropriate, given that this is global entrepreneurship week. I thank members for their speeches. This is an opportunity for me to outline this Government's commitment—the commitment that we have made and continue to make—to supporting women in business.

Like others, I welcome Women's Enterprise Scotland's vital and important role. I will readily respond to Jackie Baillie's very generous invitation to work with Women's Enterprise Scotland. I will be very happy to do so. Indeed, I met Women's Enterprise Scotland earlier today and was very pleased to meet some of its ambassadors during one of their sessions at Edinburgh city chambers. Like others, I welcome some of the ambassadors to the public gallery.

When I met the ambassadors, I was interested to hear about the two-day training programme that they are undertaking, which will give them additional skills and experience to help other women to start businesses. I look forward to hearing more about their first day in Edinburgh when I join the cross-party group on women in enterprise later. In case Ms Baillie wonders where I am, I must first attend a reception with the Construction Industry Training Board. I thank Gillian Martin and other members for getting the cross-party group up and running. It is a group that I will be very happy to continue to engage with over my time in post.

The Scottish Government is committed to increasing the number of women in business. The latest statistics show that since the Government came into office, there has been a 35 per cent increase in the number of women who are self-employed—the highest number since records began. However, I recognise that we need to get underneath the skin of the figures. The number will not entirely be driven by women's desire to take forward their own entrepreneurial activity, although many of the women involved will have been driven by such a desire.

I agree absolutely with Jackie Baillie's point—there is considerable room for movement in a positive direction. We are behind comparable nations and clearly we need to do much better, not least because of the very important principle of greater equality in the labour market. I will return to that point in more detail if time allows.

Jackie Baillie, Kezia Dugdale and other members made the point that the economy could be boosted significantly if there were as many female-led businesses as there are businesses that are led by men. That would self-evidently be good for our economy, and it would benefit public revenues too.

When I met the ambassadors today, I was pleased to announce further funding of £200,000 to support female entrepreneurship. That funding will support the Women's Enterprise Scotland ambassadors programme, which recognises the central importance of the mentoring role that Annie Wells described; the investing women project, which helps female-led businesses to become investment ready and brings them together with female investors; and the role of Women's Enterprise Scotland, working with partners across our enterprise agencies, to deliver a report on best practice in tackling the gender gap in enterprise. It will also support the Scottish Chambers of Commerce in developing and piloting a new women's enterprise accelerator programme, which will work with women who lead small businesses.

It seems that Jackie Baillie is itching to come in—I have read her mind. I will give way

**The Deputy Presiding Officer:** We both detected that, minister. I call Ms Baillie.

**Jackie Baillie:** I thank the minister for taking an intervention. The £200,000 is a welcome continuation of the funding that is already in place. However, does he agree that, in order to create the step change that I know he wants to see, we need to do an awful lot better than that?

**Jamie Hepburn:** Indeed—I am glad to have facilitated that opportunity for a desperate Jackie Baillie to intervene on me. As I said at the outset of my speech, we can do considerably more.

As I said, members have made positive speeches in which they gave examples of how WES is supporting women in business. As is frequently the case—and as should be the case—in members' business debates, many members highlighted examples of good practice in their own areas.

Unfortunately, I did not listen to "Call Kaye" this morning, so I am not entirely au fait with Ms Baillie's exchange with Eddie. She said that she hopes never to have to debate him again; I am not sure how Eddie feels about that. I agree with her point about the quality of the statistics and data that we collect, which is why in our labour market strategy we commit to improving in that respect.

That commitment is also set out in the "Enterprise and Skills Review: Report on Phase 1". The review will, in its second phase, look at all factors around supporting enterprise. I take on board the points that Jackie Baillie made—which were not unreasonable—about the role of our agencies in supporting Women's Enterprise Scotland, and I will ensure that those points are fed into the next stage of the review.

Kezia Dugdale surprised us all with her suggestion that chocolate is good for us, which is welcome news for us all—in particular for you, Presiding Officer. [*Laughter.*]

**The Deputy Presiding Officer:** I missed that. Was it some kind of insult that flew past me?

**Jamie Hepburn:** It was not an insult, Presiding Officer—I heard you cheering merrily when you heard that chocolate is good for us.

Kezia Dugdale praised bankers, and RBS in particular, for the sector's important role in reflecting the critical importance of the equality agenda for businesses. She also highlighted the role of those who are doing good work in talking about the benefits to enable others to follow them.

Annie Wells and Alison Harris outlined the importance of childcare, on which I agree, although I caution members against making the assumption that the childcare agenda must be based on the need to support women into the

labour market. That is part of it, but childcare also plays a role in supporting men into the labour market, and we need to be cautious about the language that we use when we speak about that agenda. Work is under way to increase the number of childcare hours and the amount of flexible provision.

As ever, I see that I am up against the clock with regard to the time that is available to me to respond to the debate. I recognise that gender equality is much wider than enterprise, and it is a fundamental ambition of the Scottish Government to ensure that men and women have equal opportunities in employment and to participate in the labour market. That is essential for our potential as a nation, and it is a critical part of the fair work agenda, which we are progressing through the fair work convention. I was pleased to set out in the labour market strategy approximately £500,000 for the fair work convention, which will seek to roll out its framework in workplaces throughout the country. I was also delighted to announce funding for Equate Scotland's women returners project, which is the first element of our women returners initiative.

It is critical that we seek fairness in our labour market and that we do rather better than we have done in relation to women in enterprise. There is no single catch-all method for doing that. Women's Enterprise Scotland not only recognises that organisations and businesses have a responsibility to behave ethically and support that agenda but trumpets that doing so can be good for business and the wider economy. With the support of such organisations, we can make the progress that is needed to support women into the world of enterprise. The cost of failing to do that will be too high and the benefits of achieving it are too great for us not to seek to make that progress.

*Meeting closed at 17:46.*



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