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AITHISG OIFIGEIL

# Meeting of the Parliament

Tuesday 17 January 2017

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# Scottish Parliament

Tuesday 17 January 2017

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

## Time for Reflection

**The Presiding Officer (Ken Macintosh):** Good afternoon. The first item of business this afternoon is time for reflection. Our leader today is Dr Maureen Sier, the director of Interfaith Scotland.

**Dr Maureen Sier (Interfaith Scotland):** Presiding Officer and members of the Scottish Parliament, thank you for the opportunity to speak to you today on behalf of Interfaith Scotland and the Holocaust Memorial Day Trust.

Today is 17 January. It was on 17 January 1945 that SS units began the final evacuation of prisoners from Auschwitz and marched them on foot away from the camps. Those death marches caused thousands to perish. SS guards shot anyone who fell behind. Prisoners suffered from starvation and exposure. It is hard for us to imagine what was endured in the depth of winter 72 years ago today.

Next week, Scotland will remember the Holocaust and subsequent genocides. Saskia Tepe, who is the daughter of a Holocaust survivor, and Umutesi Stuart, who is a survivor of the Rwandan genocide, will speak at the national memorial event in Bishopbriggs academy. The theme this year is "How can life go on?" Survivors must ask themselves that question. It is a question that we in Scotland must also ask ourselves when we consider the asylum seekers who arrive in our country. Many have already suffered war, deprivation and trauma. Just how can life go on when any sense of normality is removed?

The Holocaust survivor Elie Wiesel said:

"For the survivor death is not the problem. Death was an everyday occurrence. We learned to live with Death. The problem is to adjust to life, to living."

I have often thought how difficult it must be to adjust to life after devastating trauma. My mother-in-law struggled to adjust to life after being sent on the Kindertransport to the United Kingdom and then learning that her parents had been killed in Hitler's gas chambers. Later, unable to adjust to family life, she walked out on her children while they were still infants. It was only at her funeral 12 years later that the children learned that they were Jewish. Living on can be a struggle that impacts on future generations.

What does this mean for all of us? How do we help individuals, families and communities to live on in the aftermath of terror and displacement?

Scotland is home to many who are living on away from their homeland. Sometimes they face discrimination, and they always live with memories and loss. It is easy for us to feel overwhelmed by the magnitude of suffering and become paralysed by it, but I have read stories of how small acts of kindness during the Holocaust gave people the will to live on, and I have witnessed asylum seekers weep at a kindly gesture. Never underestimate the power of simply being kind.

I will end with a poem by Naomi Nye that has been adapted.

"Before you learn the tender gravity of kindness  
you must travel where"

the refugee

"lies dead by the side of the road.  
You must see how this could be you,  
how he too was someone  
who journeyed through the night with plans  
and the simple breath that kept him alive.

Before you know kindness as the deepest thing ...  
you must know sorrow ...  
Then it is only kindness that makes sense anymore,  
only kindness that ties your shoes  
and sends you out into the day to mail letters and  
purchase bread,  
only kindness that raises its head  
from the crowd of the world to say  
It is I you have been looking for,  
and then goes with you everywhere  
like a shadow or a friend."

**The Presiding Officer:** Before we move to the next item of business, members will wish to join me in welcoming to the gallery the Rt Hon David Carter MP, Speaker of the New Zealand House of Representatives. [Applause.]

## Topical Question Time

14:05

### Air Pollution

**1. Mark Ruskell (Mid Scotland and Fife) (Green):** I declare an interest as a councillor in Stirling.

To ask the Scottish Government how it plans to support local authority action to reduce air pollution. (S5T-00323)

**The Cabinet Secretary for Environment, Climate Change and Land Reform (Roseanna Cunningham):** The Scottish Government is already working closely with local authorities as they implement their air quality action plans, providing both practical and financial assistance. An additional £1 million to support this important work is being provided in 2017-18.

**Mark Ruskell:** Clearly, finance is important. This is a public health crisis, as 3,500 people in Scotland are dying every single year because of these air quality problems. Will the Government commit to providing funding specifically for low emission zones?

**Roseanna Cunningham:** I am sure that the member does not want me, as the cabinet secretary, to tie the hands of local government when we give it funding. He will be well aware that there is a considerable debate about that. The funding that currently exists allows local government £1 million for action plan measures, £0.5 million for monitoring, £0.5 million for roadside emissions testing, and £1 million to support wider air quality resources. A further £1 million has been added to that in the 2017-18 budget.

The development of low emission zones is already a matter for discussion in the Government and will require local authorities to come forward with their own ideas about it. At that point, I will consider what might or might not be required at what stage in order to deliver a low emission zone. There are a number of components of any financing of that, as the member is probably well aware.

**Mark Ruskell:** I hope that we can get some clarity on the exact package of low emission zones.

In addition to the 38 areas that breached air quality limits, there are many areas where, in particular, nitrogen oxides emissions and particulate emissions are creeping up. There is good evidence that 20 miles per hour speed limits can significantly reduce air pollution from diesel vehicles, so will the Government also consider a

default 20mph speed limit for Scotland's residential areas, which would be significantly cheaper for councils to roll out than the current piecemeal approach to 20mph zones?

**Roseanna Cunningham:** First, we expect an initial low emission zone to be in place by the end of 2018. That is what we are working towards. A great deal of work has to go under that particular bridge before it is in place and it will be interesting to see how many of the campaign commitments that are made in the coming April to May campaign relate to potential bids to be the location for a low emission zone.

On the secondary question of the specifics of 20mph zones, I am sure that the member is perfectly well aware that I would not be within my portfolio remit if I started indicating what detailed policies someone else should introduce in their portfolio. It may be that the member will wish to raise the question again on Thursday after the statement on the climate change plan.

**Maurice Golden (West Scotland) (Con):** My constituents in Johnstone and Renfrew will have been alarmed to read that their town is one of the worst places in Scotland for air pollution, according to Friends of the Earth Scotland. Parents especially will be worried about the harm that that may cause their children. Unfortunately only 10 air quality monitors—half of which are broken—are available to share between every school in Scotland. Will the cabinet secretary consider extending access to air quality monitors for Scotland's schools?

**Roseanna Cunningham:** I will have a look at that specific point and get back to the member on it. I know that there are monitoring units in a number of different places and I will check where we are with schools specifically. Local authorities are doing a great deal to help the situation, and it is local authorities that have the statutory obligation to review air quality in their areas regularly and produce plans to deal with it. I hope that, as well as raising the issue in the chamber, Maurice Golden is raising it directly with the local authority concerned.

### Scottish Ambulance Service (Targets)

**2. Edward Mountain (Highlands and Islands) (Con):** To ask the Scottish Government whether the Scottish Ambulance Service is meeting its response-time targets in rural areas. (S5T-00313)

**The Cabinet Secretary for Health and Sport (Shona Robison):** I know that provision of ambulance services in the Highlands and Islands is a matter of concern to Edward Mountain and his constituents, and I understand that the member will meet senior Scottish Ambulance Service managers soon to discuss those concerns.

In 2015-16, the Scottish Ambulance Service reached 65.5 per cent of its category A calls within the eight-minute target, against steadily increasing patient demand. That does not mean that the other patients faced long and extensive delays, however. Despite the increased demand, Scottish Ambulance Service crews are saving the lives of more patients than ever before, and the average response time to calls regarding potentially life-threatening situations remains at around 7.4 minutes.

Although time targets are clearly important, they do not in themselves measure the quality of patient care or patient outcomes, neither do they take account of advances that have been made in clinical developments in pre-hospital care in recent years. That is why the Scottish Ambulance Service is piloting a new response model that was announced in November. The model has been developed following the most extensive clinical review of its type that has ever been undertaken in the United Kingdom, with nearly 500,000 call-outs examined. That will benefit patients in urban, rural and remote communities in Scotland.

The Scottish Government and the Scottish Ambulance Service are both committed to ensuring that patients across Scotland receive the best possible care. That is why we have invested an extra £11.4 million in the Scottish Ambulance Service for 2016-17, which will include recruitment of 200 more paramedics as part of our commitment to training 1,000 more paramedics over the next five years. The funding will help to improve care across Scotland, including in some of our most remote and rural communities.

**Edward Mountain:** I thank the cabinet secretary for her answer, although it does not solve all the problems. I remind her that, on 24 November, I raised with the First Minister the issue of the mum who went through labour in an ambulance on the way from Caithness general hospital to Raigmore hospital. Eilidh McIntosh and I were both promised a report on that, but we still await it. On Christmas eve, I raised with the cabinet secretary the issue of Thomas—a young child who waited over 10 hours for an ambulance to take him from Caithness general hospital to Raigmore hospital. I have received an acknowledgement, but no detailed response.

Today, on 17 January, I raise the issue of two mums who had to travel to Raigmore hospital while in labour and in horrendous weather conditions. In one case, the snow gates were closed, which meant that two attempts were needed to get the woman to Raigmore hospital in a private four-by-four before she got through.

It is clear to me and the people of Caithness that NHS Highland's management model for Caithness general hospital is not working. Will the cabinet

secretary join me and the latest convert whom I am delighted to welcome to the cause—Gail Ross MSP—in asking for a full management review of hospital provision in Caithness and the ambulance provision to support it before the situation spirals further out of control?

**Shona Robison:** I ask Edward Mountain to ensure that the details of any individual patients whom he has mentioned are sent to my office. The senior managers he will meet will be keen to discuss with him individual patients' cases, because it is important to get to the bottom of the issues that have been raised.

I am very aware of the fact that NHS Highland has taken the difficult decision to make changes to obstetric maternity services at the hospital in Caithness, and the chief medical officer has kept closely in touch with the progress that is being made. As Edward Mountain knows, the decision was made on the ground of patient safety. Although there was no consultation on the issue because of that, I have made it clear that it is very important that we keep local people in touch and allow them to contribute to discussions on the need to strengthen services not just in the Scottish Ambulance Service, but in Raigmore hospital, as the receiving hospital for those cases.

It is very important that we deliver safe and high-quality services to pregnant women and newborn babies, and that when adverse events happen, we reflect on them and learn lessons to ensure that they are never repeated. We want to make sure that all women receive the best services, which is why we initiated a review of maternity and neonatal services across Scotland. The review has now reported to me and the report will be published shortly. I expect managers in NHS Highland to ensure that the services that they deliver for women and newborn babies in any part of the Highlands are in line with the outcomes and recommendations of that report, and I will make sure that NHS Highland follows up on the recommendations under the guidance of the chief medical officer.

**The Presiding Officer (Ken Macintosh):** There is time for additional brief supplementaries. Mr Mountain, do you want to ask another supplementary?

**Edward Mountain:** Thank you. How can services in Caithness ever equate to those in the rest of Scotland, given that it is necessary for mums who are in labour to make a 100-mile trip under blue lights to get to Raigmore, especially when snow gates are closed and helicopters are unable to get there? I do not understand how the cabinet secretary believes services can be the same as they are in the rest of Scotland when Caithness is different by its very nature, given its remoteness.

**Shona Robison:** I am sure that the member will appreciate that, if a report after an adverse incident says that a service is not safe, no one—not me, as Cabinet Secretary for Health and Sport, nor managers in NHS Highland—can ignore that. It would be extremely irresponsible of managers to ignore a report that said that a service was not safe.

Across the Highlands, many midwife-led services are being delivered in remote and rural areas. It is important that the infrastructure and protocols are in place to ensure that the Scottish Ambulance Service responds as it needs to respond in order to ensure that women are transferred safely, at the right time and early enough. It is important that the receiving hospital—in this case, Raigmore—has the facilities to ensure that women and their families are catered for in a comfortable and welcoming environment. I am sure that Edward Mountain will be aware, as he will have had a great number of local briefings on the subject, that there is a lot of work under way to ensure that that happens. I assure him that I am keeping a very close eye on the situation—as is the chief medical officer—in the Highlands and Caithness.

**The Presiding Officer:** Cabinet secretary, there are three more questions to get through.

**Maree Todd (Highlands and Islands) (SNP):** What is the range of options that are available to the Scottish Ambulance Service when it is faced with adverse weather conditions?

**Shona Robison:** Adverse incident calls are assessed. If a need for access to a remote patient is identified, the SAS assesses its capability to respond, either through its special operations response team—SORT—which is led by people who have undertaken specialist training to drive off-road, or through the air ambulance services. If that is not possible due to availability of resource or severe weather conditions, the SAS would seek assistance from partner organisations including the Ministry of Defence and HM Coastguard to supply aircraft. In certain circumstances, a Polaris all-terrain vehicle may be requested through a partner organisation—for example, Police Scotland.

**Rhoda Grant (Highlands and Islands) (Lab):** It is very difficult to argue with the need for patient safety as the reason for changing how a service is delivered. However, I have asked NHS Highland the question that I will ask the cabinet secretary: what risk assessment has been undertaken of alternatives for taking women in labour down to Inverness when appropriate vehicles are not available? NHS Highland has no locus over the Scottish Ambulance Service, but the cabinet secretary does. Will she take steps today to make sure that there is adequate provision in Caithness

to take women in labour down to Inverness in an ambulance or by helicopter, but certainly not in the back of a vehicle when the snow gates are closed?

**Shona Robison:** I welcome Rhoda Grant's recognition of the patient safety issues that have been raised in relation to the service at Caithness general hospital, which left senior managers in NHS Highland with a difficult decision to make. I assure her that that decision was not taken lightly.

I have made it clear that the expectations around the service for pregnant women and their newborn babies in NHS Highland rely as much on the Scottish Ambulance Service's response as they do on NHS Highland. I assure Rhoda Grant that there has been close working and collaboration between the Scottish Ambulance Service and NHS Highland. I have asked for regular updates from both organisations to make sure that they are working together to ensure not just the safe transfer of women and other patients, but that Raigmore—the receiving hospital—has high-quality facilities available for the patients and their families, too. I am happy to keep Rhoda Grant—and any other member—updated on that. I assure her that the role of the SAS is critical.

**The Presiding Officer:** Please make your question as succinct as possible, Mr Lochhead.

**Richard Lochhead (Moray) (SNP):** The cabinet secretary may be aware that one factor that influenced response times in Moray was the use of emergency vehicles for inter-hospital transfers between Dr Gray's hospital in Elgin and the Aberdeen royal infirmary. Thankfully, that is now being addressed through a new post to co-ordinate better use of emergency and non-emergency vehicles, so that emergency vehicles are available to answer 999 calls. Will the cabinet secretary be willing to ensure that her officials closely monitor the progress of that change to make sure that it is effective and to check whether further intervention is required?

**Shona Robison:** I am happy to agree to do that. The Scottish Ambulance Service has an urgent-tier vehicle based in Elgin, which can be used to transfer safely patients who do not need an accident and emergency ambulance. As Richard Lochhead has suggested, the service has recently invested in deploying two specialist paramedics to cover Elgin and the surrounding area to provide an enhanced response for patients. The service is now able to manage a range of clinical needs in the area, including treating patients at home, referring patients or conveying patients to hospital. I am happy to keep Richard Lochhead informed of the development of that service.



**The Presiding Officer:** Thank you, cabinet secretary.

## **Scotland's Future Relationship with Europe**

**The Deputy Presiding Officer (Christine Grahame):** The next item of business is a debate on motion S5M-3427, in the name of Michael Russell, on protecting Scotland's interests in negotiating our future relationship with Europe.

I call Fiona Hyslop to speak to and move the motion in the name of Michael Russell.

14:23

**The Cabinet Secretary for Culture, Tourism and External Affairs (Fiona Hyslop):** I understand that the front-bench speakers have been advised that, regrettably, Michael Russell is unable to attend the chamber today.

It is almost seven months since the European Union referendum, in which Scotland voted emphatically to remain in the European Union, while England and Wales voted to leave. Today, the Prime Minister has announced the end of the United Kingdom's involvement in the European project in the hardest and most complete way possible. We think that that is the wrong decision for the UK as a whole and indicates that the type of country that the Conservatives want is a race to the bottom, sacrificing consumer, environmental and workers' rights for the price of deregulation, low wages and low taxes.

However, the Scottish Government and the Scottish people—as indicated in poll after poll—have a different view. We have to find a fresh way forward that honours the nation's democratic demand to maintain our relationship with our European friends and neighbours. We are realistic and the proposals that we have set out are pragmatic, recognising that the UK is leaving the EU and that a compromise is in the Scottish national interest.

Our proposals reflect the interests of the Scottish Parliament. On 28 June 2016, the Scottish Parliament voted 92 to zero to mandate the Scottish Government to

"explore options for protecting Scotland's relationship with the EU, Scotland's place in the single market and the social, employment and economic benefits that come from that".

Although there was a division, during the debate it was clear that even those who did not support the Government's motion in its entirety were of one mind about certain key issues. There was, for example, unanimous support for EU nationals in Scotland. I welcome the sentiments behind Ross Greer's amendment to the motion. I reiterate that EU nationals are and will remain welcome in Scotland, and that their futures should not be used

as part of the UK Government's negotiation strategy.

In June 2016, there was agreement about the importance of the single market. For example, Ruth Davidson, on behalf of the Scottish Conservatives, lodged an amendment that she said

"makes it clear that we want to protect and maximise Scotland's place in Europe the continent and in the European single market."—[*Official Report*, 28 June 2016; c 13.]

Since then, she has gone further, saying:

"I think that we need to agree some first principles for the talks. Retaining our place in the single market should be the overriding priority."—[*Official Report*, 30 June 2016; c 24.]

A few days later, she told the BBC that she wanted to stay in the single market

"Even if a consequence of that is maintaining free movement of labour."

Kezia Dugdale, on behalf of Scottish Labour, agreed that

"All options for protecting Scotland's place in the single market must be explored."—[*Official Report*, 28 June 2016; c 17.]

Patrick Harvie and Willie Rennie were also among the voices from across the chamber that wished to see, within the context of the single market, the Government explore all the options open to us.

**Mike Rumbles (North East Scotland) (LD):**

We were also assured in that very debate that that issue was—and these are the words that were used—"emphatically not" about a Scottish independence referendum. [*Interruption.*] If I may speak, that is why the Government had our support.

**Fiona Hyslop:** I reassure the member that, as he would know if he had taken the trouble to read the document "Scotland's Place in Europe", our position is a compromise. It is not about independence, but neither is it about continued EU membership. The UK Government is driving the debate to the hard right of the Conservatives and shaping a country in which many people are questioning whether they want to continue with Theresa May's terms. The ball is firmly in her court.

"Scotland's Place in Europe" was published on 20 December last year. It delivered the mandate that we were required to deliver by this Parliament. It is the first detailed plan to be published by any Government in any part of the UK to deal with the implications of the UK leaving the European Union.

Today's debate gives us, as a Parliament speaking for our nation, the opportunity to take our plan a step further. On Thursday, the Scottish Government will give a presentation on the plan to the joint ministerial committee on EU negotiations. It is, of course, proper that this Parliament should give its view in advance of that discussion in London. The Prime Minister was explicit today in stressing that the UK Government is still to consider the plan.

As the First Minister highlighted to the chamber on the launch of our publication, the proposals represent a significant compromise on the part of the Scottish Government and they are put forward in good faith. We are pleased that that point has been recognised and accepted by so many in Scotland. For example, Professor Sir David Edward—Scottish lawyer, academic and former judge of the Court of Justice of the European Union—said:

"I believe that the Scottish Government is right to urge the UK Government to maintain the UK's position within the Single Market, the Customs Union and the various forms of security and police co-operation. That is the primary proposal and I believe it merits the widest support across the political spectrum."

**Stewart Stevenson (Banffshire and Buchan Coast) (SNP):** The cabinet secretary will be aware that the Prime Minister made a speech this morning and discussed the disbenefits to Europe of barriers to trade from Europe to the UK, in particular highlighting the plight of Spanish fishermen who might not get access to the UK market, while not saying a single word about Scottish and English fishermen and the detriments that they might suffer in getting their products to the EU. Is that not disgraceful?

**Fiona Hyslop:** That is the nub of the issue. How do we make sure that we do not see a repeat situation on fishing? I raised that issue only yesterday in Brussels with UK officials. Never again should we allow the UK Government to see Scottish fishermen and fishing as expendable.

In developing our paper, the Scottish Government has listened carefully to many communities across—and outside—Scotland so that we might understand and respect the wide range of views, including the views of those who voted to leave the EU.

We have engaged positively in the joint ministerial committee process, as well as in the British-Irish Council and a wide range of bilateral, multilateral and official meetings. We have worked with the other devolved Administrations, with London, with Gibraltar and with the Crown dependencies.

There has also been engagement at diplomatic or governmental level with every one of the

remaining 27 EU member states, as well as an exhaustive range of meetings with think tanks, academics, businesses, representative bodies and individuals in Scotland and in other places.

Yesterday, I presented our proposals to European partners in Brussels. I held a constructive meeting with the Belgian Deputy Prime Minister and Minister of Foreign Affairs and European Affairs, Didier Reynders. I also ensured that I had engagements with others. I met Sir Tim Barrow, the UK's new permanent representative to the European Union—and I made a point about fishing in particular. I outlined our expectation, following commitments that have been made by the Prime Minister and which have been repeated again today, that Scotland will be fully engaged in the process to agree a UK-wide approach to Brexit in advance of the triggering of article 50.

I am grateful to everyone who has offered their views during those meetings and that engagement, including those in the chamber today. I am also grateful to the standing council on Europe for its advice and guidance and its input to the development of our paper.

Central to our proposition is the belief that, short of EU membership, full membership of the single market and customs union is the best outcome not just for Scotland but for the whole UK. That membership can be secured by UK membership of the European Free Trade Association and the European Economic Area. It is disappointing to see that prospect for all of the UK being rejected by the Prime Minister today, but we will continue to work with everyone across the political spectrum to take forward the arguments for a differentiated option for Scotland within the UK negotiating position.

**Adam Tomkins (Glasgow) (Con):** The cabinet secretary mentioned the First Minister's standing council on Europe. Charles Grant is a member of that standing council and, on the point that the cabinet secretary is addressing, he has said that it would be legally, politically and technically "extremely difficult"—his words, not mine—for Scotland to stay in the single market if the UK as a whole does not. Does the cabinet secretary agree?

**Fiona Hyslop:** It will be extremely difficult to ensure that the economy and society of Scotland and the UK can survive, prosper and flourish under the terms that the UK Government has set out today.

I agree with the point that Charles Grant made. In the document, we say that we know that the proposal is challenging—we understand those challenges. Only yesterday in Brussels, I spoke to many eminent experts about these issues. However, everybody—including Charles Grant—

has said that the document represents a considered piece of work. The proposals are technically and legally possible, but there are challenges to be faced and changes that would have to take place. We fully acknowledge that in the document, and have been complimented for facing up to the challenges that might arise.

We have highlighted possible ways of keeping Scotland in the single market while continuing to protect free trade across the rest of the UK, as well as safeguarding the existing powers of this Parliament and significantly expanding devolution in order to mitigate the damage that will be done by Brexit.

It is difficult to overstate the importance of Scotland's continuing membership of the single market. It is central to the health of our economy and our prosperity as a nation, enabling Scottish exporters to be inside the world's largest single market and enabling our citizens to buy goods and services free from import taxes and barriers. The single market has removed barriers to trade and opened Scotland to a market of more than 500 million people and 21 million small and medium-sized enterprises. It is eight times the size of the UK market alone. Businesses that sell in the EU have unrestricted access to those consumers, which helps them to stay competitive. As a result, Scotland's exports to the EU are now worth more than £11.6 billion a year, or 42 per cent of the country's total international exports.

**Dean Lockhart (Mid Scotland and Fife) (Con):** Earlier, the cabinet secretary said that the document has nothing to do with independence. However, its foreword contains 11 references to independence.

The cabinet secretary mentions the importance of the European single market. Does she think that the European single market is more important than the market with the rest of the UK, which accounts for 65 per cent of our trade?

**Fiona Hyslop:** We are quite clear that we are not talking about either/or but both/and. We want to ensure that we have single market access to the EU and continue to trade with the United Kingdom. That is what is in our document. We have made it quite clear that our preferred option is for the UK as a whole to remain in the single market, and we have also set out the differentiated option that we are going to have to pursue now. However, we are also quite clear that if required—if we cannot achieve the type of results that we want and which we see as the requirements of the Scottish people—we have to ensure that independence is still on the table. We have been quite open and transparent about that. We are spending time, energy and effort on making sure that there is a solution for the people of Scotland,

in the national interest, through all the activity that I have set out.

Our proposal states that Scotland should follow the UK position on a customs union: if the UK is out, Scotland will be out. The single market is a market in which considerable potential remains to be unlocked. New opportunities to increase our trade and co-operation will emerge and new market opportunities will arise in the digital economy, the services sector, energy, retail, the green economy and other areas. Brexit has not happened yet. When the UK becomes poorer as a result of Brexit, particularly if there is a hard Brexit, as looks likely from today's announcement, taking advantage of the growing European market will become even more important for Scotland.

Membership of the European single market also involves implementing a range of measures that are designed to further the rights and interests of working people, protect and advance social and environmental interests and address wider societal challenges such as climate change, through collaborative research and collective action.

Although our key proposal is for the UK as a whole to retain membership of the single market and the customs union, of course we have had to put in place plans and intentions for the situation that was announced today by the Prime Minister, who has chosen to listen to the isolationist Tory Brexiteers and take the path that leads to the hardest of withdrawals. They want to prioritise cutting immigration and the rejection of the European Court over the financial, employment, social and cultural interests of Scotland. More than that, they are putting the interests of the right wing of the Tory party over the interests of the people of Scotland.

Our paper explores the ways by which we might secure a differentiated option for Scotland: one that keeps Scotland in the single market by means of continued membership of the European Economic Area. That strategic objective represents a significant compromise for the Scottish Government, as it falls short of what we consider to be the best option for Scotland and the UK, which remains full EU membership. However, the Scottish Government is prepared, as the First Minister has made clear, to offer such a compromise in the national interest and in the hope of gaining consensus in Scotland and agreement in the UK to the practical position that we have set out.

**John Scott (Ayr) (Con):** Will the cabinet secretary give way?

**Fiona Hyslop:** I am sorry; I need to make progress.

**The Deputy Presiding Officer:** You may take the intervention if you wish.

**Fiona Hyslop:** In the paper, we reiterate a position that we have held for a long time: that just as UK-wide free movement and free trade could, should and would continue if Scotland became independent—in the same way that the UK Government intends free trade and free movement between the UK and the Republic of Ireland to continue after Brexit—so we are making plans to secure for Scotland explicitly and sincerely the benefits of membership of the European single market in addition to, not instead of, free trade and free movement across the UK.

In September, David Davis, the UK Secretary of State for Exiting the European Union, went to Dublin and told businesspeople there that

“Ireland will not have to choose between having a strong commitment to the EU or to the UK—it can and should have both.”

As we saw through its approach to Nissan last October, the UK Government is okay with having a flexible Brexit deal in relation to different sectors of the economy. Why should that flexibility not apply to distinct geographic areas? We know that there are challenges in what we are proposing, but it can be secured if there is the political will to do so.

We want our discussions with the UK to succeed; that has been our clear message in those discussions. However, if our attempts to agree a compromise are rejected, it is vital that we continue to have other options available, including that of a referendum on independence.

If the hard right of the Tory party, which is driving the UK debate, can drag Scotland out of not only the EU but the single market, it will start to believe that it can do anything to Scotland and get away with it.

The paper explains why Scotland must have the necessary powers to protect its democratic and economic interests and its interests in the areas of solidarity, social protection and influence on leaving the EU. The EU is a major source of rights, as has been debated in this Parliament.

The next steps will be that we take forward our discussions with the UK Government. Theresa May repeated today that Scotland would be fully engaged in the Brexit process. The next meeting of the JMC on EU negotiations will take place on Thursday.

**John Scott:** Will the cabinet secretary give way?

**The Deputy Presiding Officer:** The cabinet secretary is in her last minute.

**Fiona Hyslop:** Scotland will not be silenced by a right-wing Tory Government that is intent on riding roughshod over our vital national interests

and the democratic voice of the Scottish people. It is time to stand up for the interests of Scotland.

I move,

That the Parliament notes the publication on 20 December 2016 by the Scottish Government of *Scotland's Place in Europe*, setting out options for the future of the UK and Scotland's relationship with Europe; understands the detrimental social and economic impact on Scotland and the UK of losing their current place in the European single market; welcomes the options set out in the paper, including on free movement of workers; agrees that the UK as a whole should retain its place in the single market, ensuring rights not just for business but for citizens, and that, in the event that the UK opts to leave the single market, alternative approaches within the UK should be sought that would enable Scotland to retain its place within the single market and the devolution of necessary powers to the Scottish Parliament; agrees that further devolution to the Scottish Parliament is required to mitigate the impact of the UK's decision to leave the EU, and endorses the Scottish Government discussing these proposals with the UK Government in order to secure the protection of Scotland's interests as part of the Article 50 process.

**The Deputy Presiding Officer:** I call Dean Lockhart to speak to and move amendment S5M-03427.3. You have 11 minutes or thereabouts, Mr Lockhart.

14:39

**Dean Lockhart (Mid Scotland and Fife) (Con):** Thank you, Presiding Officer. I start by recognising the contribution to the EU debate that the Scottish Government's paper, "Scotland's Place in Europe", has provided. I also highlight the powerful speech that the Prime Minister delivered this morning, which provides us with much greater clarity on the UK's future relationship with the EU—something that I will return to later.

Looking first at the SNP's proposal for a differentiated relationship with the EU for Scotland, I note that the central recommendation is that Scotland maintains continued membership of the EEA and the European single market. The so-called Norway option is one example of how that might be achieved. The report acknowledges that the proposal

"raises technical, legal and political complexities"

and would require the express agreement of all 27 EU member states.

Initial reactions to the SNP's proposals have raised some serious concerns. Members of the First Minister's standing council of experts have said that the proposals would be "highly unlikely" and "extremely difficult" to implement. We share those concerns. On this side of the chamber, we encourage the Scottish Government to work closely with the rest of the UK and to use the full strength of the UK's bargaining position to get the very best deal for Scotland.

I will first set out the advantages of taking that UK-wide approach to the negotiations, before considering the differentiated approach that the SNP has proposed. Under the UK-wide approach, our combined objective, as the Prime Minister set out this morning, is to pursue a bold and ambitious free-trade agreement with the EU in order to allow for the freest possible trade in goods and services. *[Interruption.]* I highlight to members that all European countries that are outside the EU have tariff-free access to the EU single market under free-trade agreements, with the exception of Belarus.

The Prime Minister also highlighted today a number of other significant objectives that will address issues raised by various parties—the guarantee of the rights of EU nationals in Britain as early as possible as part of the negotiations; the protection of workers' rights that is currently enshrined in EU law; new trade agreements with the rest of the world through a new and bespoke arrangement with the European customs union; and a smooth, orderly Brexit with a phased process of implementation and the final EU deal being agreed by the UK Parliament.

**Bruce Crawford (Stirling) (SNP):** Can Mr Lockhart tell us how many countries within the European Union would need to agree a free-trade agreement between the United Kingdom and the European Union. Is it not 27?

**Dean Lockhart:** It is 27, and we would have a very strong bargaining position because the EU exports more to the UK than vice versa. *[Interruption.]* The EU chief negotiator has already said that they want access to the city of London and the UK as a financial hub. I will come on to that later. *[Interruption.]*

**The Deputy Presiding Officer:** I would like to hear Mr Lockhart, please.

**Dean Lockhart:** The market reaction to those ambitious plans has seen the pound appreciate by 2.5 per cent, showing faith in this new vision for the negotiations.

Given the ambitious objectives that the Prime Minister has announced for the UK to be a leading, global free-trading nation, it is now clear that Scotland will be in a much stronger position if it negotiates together with the UK.

**Ash Denham (Edinburgh Eastern) (SNP):** Will the member take an intervention?

**Dean Lockhart:** I will a bit later. I ask the member to let me make some progress.

For example, together we represent the financial hubs of London, Edinburgh and Glasgow. As I said to Mr Crawford, the EU's chief negotiator has recently recognised that financial stability will be a critical factor for an increasingly fragile eurozone,

so it will be vital for the EU to have as part of the negotiations continued free access to global funding from the city of London as well as Edinburgh and Glasgow, as the UK remains the centre for global capital markets.

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

**Dean Lockhart:** In a second.

A UK-wide approach would also avoid creating potential barriers to trade between Scotland and the rest of the UK, ensuring free access to the vital domestic market, which accounts for 65 per cent of our trade; in comparison, the EU single market accounts for only 15 per cent of trade. Many commentators have warned that free trade between Scotland and the rest of the UK would end if one country was in the single market and the other was not.

**Ash Denham:** Will the member take an intervention on that point?

**Dean Lockhart:** On that point, Charles Grant, a member of the First Minister's standing council of experts, has said:

"it's extremely difficult for Scotland to stay in the single market if the UK as a whole does not ... there would have to be one set of business regulations applying to England and another set applying to Scotland."

**Ash Denham:** I am very interested in the member's opinion on the idea of renegotiating bilateral trade agreements. Most experts express the view that the timeframe for doing that would be about 10 years. Are the Conservatives happy to preside over 10 years of lost trade?

**Stewart Stevenson:** Hear, hear.

**Dean Lockhart:** There are various ways of achieving it. For example, the UK could accede to arrangements that are already in place. All of that will form part of the negotiation. Unlike some others, I am very confident that we have a strong position.

I want to return to the point about the priority being our domestic market and trade with the rest of the UK. The head of Scottish Engineering has warned that

"having two regulatory systems would damage trading with the UK ... our largest market."

We want to avoid that effect of the differentiated approach that the SNP proposes.

A UK-wide approach would mean that Scotland could participate fully in new trade deals that the UK enters into after Brexit. Our single largest international trading country is the United States—trade levels with the US have doubled in the past decade and Scotland exports more to the US than it does to Germany and France combined. Exports

to the EU have declined in recent years, whereas exports to the rest of the world have increased from 16 to 20 per cent. Therefore, there are significant benefits to be derived from entering into new trade agreements with the likes of China and India, as recommended by the Scotch Whisky Association. Scotland can benefit from those, but only through UK-wide negotiation with the EU. Given all those opportunities, I encourage the Scottish Government to work together with the UK Government to get the very best deal for the people of Scotland.

**Gillian Martin:** I would like to know what reference the Prime Minister made to companies using the UK as a tax haven, which the Chancellor of the Exchequer, Philip Hammond, mentioned on Sunday. If she did not make reference to that, why should the UK public think that that is in their interests and represents a boost for the UK?

**Dean Lockhart:** As part of the negotiations, there will be a lot of positioning by different people. That was speculation about a possible outcome, but I do not see it being part of the final agreement.

I turn to the differentiated approach that is proposed in the SNP's paper. A number of constitutional, economic, practical and legal problems surround the SNP proposals. Constitutionally, the proposal for a Norway-style arrangement would require the consent of all four existing EFTA members, as well as the other 27 EU states. In addition, article 56 of the EFTA convention provides that only nation states can become members, which means that Scotland would have to become independent before it could apply to EFTA.

**Fiona Hyslop:** Will the member take an intervention?

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

Reflecting that constitutional background, the head of the Norwegian delegation to EFTA has made it clear that

"To enter the EEA agreements, a nation has to be either a member of the EU or EFTA. To become a member of EFTA, Scotland would first have to leave the UK."

Those are his words, not mine. [*Interruption.*] If SNP members do not like the message, that is probably why they are not listening.

In addition, a leading Spanish MEP has commented:

"We're not going to accept Scotland in the single market without the rest of the UK."

Economically, the SNP's proposals run the risk of creating an economic or customs border between Scotland and the rest of the UK and of

requiring business in Scotland to follow two regulatory systems. Professor Michael Keating has warned that free trade between Scotland and the rest of the UK would end if one country was in the EU single market and the other was not.

On a practical level, the First Minister said that she would follow the advice of the members of her standing council of experts

“every step of the way”;

perhaps she might want to listen to their advice that the SNP’s proposals are “highly unlikely” to succeed.

Legally, the proposals would mean that Scotland would have no influence whatever over its legal and trading framework, which directly contradicts one of the First Minister’s five Brexit tests—that of

“making sure that we don’t just have to abide by the rules of the single market but also have a say in shaping them.”

That would not be the case.

Following the Prime Minister’s announcement, it is now clearer than ever that Scotland’s best interests will be served by our following a UK-wide approach to negotiating our future with Europe.

Our amendment to the Government motion calls on the SNP—[*Interruption.*]

**The Deputy Presiding Officer:** I would like to hear Mr Lockhart, please.

**Dean Lockhart:** Thank you, Presiding Officer—so would I.

**Ivan McKee (Glasgow Provan) (SNP):** Will the member take an intervention?

**Dean Lockhart:** No, thank you.

Our amendment calls on the SNP to act in the best interests of the people of Scotland as a whole and to stop using the outcome of the EU referendum to campaign for independence. In the foreword to the paper “Scotland’s Place in Europe”, which is supposedly a document about Europe, there are 11 separate references to independence, as well as the First Minister’s repeated reference to Scotland being independent within Europe as being the preferred option.

Yet again, the SNP continues to defy economic logic by constantly campaigning to leave our domestic UK trading market, which represents 65 per cent of our business, to try to maintain membership of a European market that accounts for only 15 per cent.

A clear majority of people in Scotland do not want another independence referendum, do not want to join the eurozone or the Schengen area, and do not want to be subject to the monetary and fiscal policies of the European Central Bank. It is

time for the SNP to stop using its paper as a European version of the white paper on independence, to listen to the people of Scotland and to rule out another damaging independence referendum.

I move amendment S5M-03427.3, to leave out from “the detrimental” to end and insert:

“that the whole of the UK, as the member state, will be leaving the EU following the UK-wide EU referendum held on 23 June 2016; recognises that trade within the UK domestic market is four times as important to Scotland compared to trade with the EU’s single market; encourages all parties and the Scottish Government to work with the UK Government and other devolved governments in the UK to achieve the best possible negotiated outcome for Scotland and for the UK, and urges the Scottish Government to stop using the outcome of the EU referendum to campaign for Scottish independence.”

**The Deputy Presiding Officer:** I call Lewis Macdonald to speak to and move amendment S5M-03427.1. You have eight minutes or thereabouts, Mr Macdonald.

14:50

**Lewis Macdonald (North East Scotland)**

**(Lab):** Thank you, Presiding Officer. We start the new year as we ended the old—debating Scotland’s future relationship with Europe and what it means for Scotland’s place in the United Kingdom. Things have changed, of course, not just since the Scottish Government published “Scotland’s Place in Europe” in December, but in the course of the past few hours.

The premise that the best option is for the UK not to leave the single market in the first place is the paper’s starting point but, as we have heard, that has been dismissed altogether today by Theresa May. The Scottish Government has outlined its plan B, recognising the risk of just such a position being taken, and that, of course, is central to our debate this afternoon.

However, we also need to understand what the Prime Minister said today. She said three things: no to the single market; yes to transitional arrangements; and, on the customs union, don’t know. Her Government has still not reached a clear position on that critical matter.

There was little evidence of a willingness to consider different outcomes on the single market for different parts of the UK, but the Prime Minister has given undertakings to consider proposals from the Scottish Government and that pledge should be honoured.

Our starting point in this debate is that we acknowledge the benefits that Scotland and Britain have derived from membership of the European single market but know that the single market of the United Kingdom is even more vital to our

interests. The Scottish Government has proposed that Scotland can retain the benefits of one without sacrificing the other, but I hope that ministers recognise that

“retaining our place in the Single Market”

does not mean the status quo. It cannot mean full membership of the single market if the UK Parliament endorses what Theresa May had to say today. Our place in future, as we argued the last time we debated the single market, has to be the most unfettered access to that market that can be achieved in the context of the decisions of the United Kingdom as a whole.

Within that context, ministers can and should continue to seek ways to protect Scotland’s vital interests, working with others across the United Kingdom who are also seeking to make the best of the current circumstances. Our Labour colleagues in Wales believe, as we do, that access to the single market is vitally important to jobs and prosperity and that there is scope for the Scottish and Welsh Governments to work together in their approach to discussions in the joint ministerial committee and elsewhere. The mayor of London is strongly focused on the issue of freedom of movement, so again there is scope to work together to achieve the economic and social objectives that are vital for both London and Scotland.

We welcome the emphasis in today’s Government motion on the issue of free movement of workers and we value the single market for the rights that it gives to citizens as well as the access that it gives for business.

**Fiona Hyslop:** Will the member give way?

**Lewis Macdonald:** Of course.

**Fiona Hyslop:** With regard to the single market, the issue is not just economic trade; there are the four aspects. The point of freedom of movement and regulations is the protection of workers’ rights, which are at risk unless we ensure that we continue to comply and work in the best interests of the people of Scotland. Does the member agree?

**Lewis Macdonald:** Absolutely. Workers’ rights are central to our approach and are among the key benefits—along with jobs and business—that we recognise and identify as positives from the European experience.

The Government’s motion also says:

“in the event that the UK opts to leave the single market, alternative approaches within the UK should be sought that would enable Scotland to retain its place in the single market”.

We welcome that emphasis: seeking alternatives within the UK is clearly different from seeking

alternatives to the UK. We remain wholly opposed to any options that would sacrifice access to the British single market in favour of access to the European one, but we are in favour of exploring alternatives that do not. We want the Scottish Government to talk to UK ministers about its paper on alternatives within the UK and we want UK ministers to listen.

**Adam Tomkins:** Does the member agree with something that the Prime Minister said in her speech earlier today? She said that one of the United Kingdom’s guiding principles must be that

“no new barriers to living and doing business within our own Union are created”.

Does Scottish Labour agree or disagree with that position?

**Lewis Macdonald:** We certainly want to create as few new barriers to movement and to doing business as possible, certainly within the UK. That is our starting point. However, barriers that are created within Europe equally damage our economic and social interests, and that is also part of our perspective.

It is true that the Scottish Government must talk to the UK Government if the proposals in its paper are to be taken forward. Access to the European Economic Area through membership of EFTA for Scotland alone would require support from the UK Government and from EFTA member states. It is also hard to see how it would be possible to maintain a customs union across the UK if part of the UK was in the European single market and part was not. That point has to be addressed.

If the UK leaves the single market and the European customs union, it will seek to negotiate bilateral trade deals with other countries, so there would soon be a divergence between the trade deals entered into by the UK and those to which member states of EFTA and the EEA are already committed, either directly or as a consequence of their respective agreements with the European Union.

**Ivan McKee:** The member will be aware that Norway, while in the single market of the European Union, is outside the customs union and is therefore not subject to external deals that have been negotiated on behalf of the European Union.

**Lewis Macdonald:** I am very aware of that. The critical challenge for the Government in promoting and making the case for its plan B is the proposition around the customs union of the United Kingdom, although I take Mr McKee’s point about the significance of the European customs union.

Even if the UK agreed to support a special arrangement for Scotland, there would be a clear risk of a direct conflict between membership of



EFTA for a part of the UK and the UK-wide customs union, because trade provisions apply. Fiona Hyslop today summed up the Scottish Government's approach to the customs union and I think that I paraphrase her fairly when I say that it is essentially to shadow whatever decision on the customs union the Conservative Government makes.

Mrs May's clear rejection of the single market was in marked contrast to her uncertainty about the right way forward on tariffs and trade. Little wonder. If businesses in every sector of the economy can see the risk to exports and jobs from tariff barriers between Britain and Europe of exactly the kind that Professor Tomkins was talking about, we would expect Government ministers to see that too. That uncertainty about the options of signing or leaving the customs union in Europe offers room for manoeuvre, which should be taken, although ministers need to be realistic about the relationship between membership of the single market and membership of the UK customs union.

Today is also the right time to look beyond the triggering of article 50, and that is the purpose of our amendment. If the UK Government is determined to walk away from the single market, it is all the more important to talk about what kind of transition from the status quo towards new permanent arrangements would be in the best interests of Scotland and the UK. Theresa May appeared to say that she is open to such transitional arrangements, which creates space to seek to sustain positive relationships, at least in the short term. If there is genuinely an appetite for such transitional arrangements, Scottish ministers should seek to influence them and to maintain as many as possible of the positive benefits of our relationship with Europe.

The Scottish Government's options paper provides a basis for discussion, but it is not the final answer to the problems that we face. We recognise that different arrangements on freedom of movement and freedom of trade for different parts of the UK might be part of that answer, but we are absolutely clear that the integrity of the UK single market and customs union will remain critical to Scotland's interests. We want to make the most of any transitional arrangements to minimise the economic dislocation that leaving the EU will bring.

To that end, I move amendment S5M-03427.1, to insert at end:

“, and calls on the Scottish Government to further engage with the UK Government on arrangements that might apply after the invocation of Article 50, with a view to maintaining as many as possible of the benefits of the UK's relationship with Europe in any transitional period.”

14:59

**Willie Rennie (North East Fife) (LD):** Today's speech from the Prime Minister confirms that the Conservatives are hellbent on a hard Brexit, regardless of the impact on millions of people of higher prices and greater instability, which will hit jobs and hurt our economy. Withdrawal from the single market and the customs union is not in our country's interests and nor is it what people voted for on 23 June. The Tories are turning Brexit into a democratic stitch-up, which shows how vital it is to give the public a say in a Brexit deal referendum.

I listened to Dean Lockhart's speech; it was exactly the speech that Nigel Farage would have delivered just a few months ago. In contrast, the Liberal Democrats stand for Scotland in the UK and for the UK in Europe. Many members of this Parliament and people outside it want us to choose between the European Union and the United Kingdom, but we will not give up on either institution.

**The Minister for International Development and Europe (Dr Alasdair Allan):** Will the member take an intervention?

**Willie Rennie:** Not just now.

I will never choose between the two. My ambition is for Scotland to be in the EU and the UK, and I will campaign for both. I am an internationalist and I believe in co-operation with our neighbours. I am pro-Europe and pro-United Kingdom and I will not give up on either. The argument that our interests are best served by working together applies equally to the UK and the European Union.

The speech from the Conservative member could have been given by an SNP member a couple of years ago, and vice versa. The arguments that members have used could have been used in the independence campaign. The Conservatives and the SNP have turned the arguments on their heads.

**John Scott:** Will the member give way?

**Willie Rennie:** Not just now.

The Conservatives have embraced a hard Brexit and are telling us to give up on the EU. The SNP is desperate to tell us that we need to give up on the United Kingdom, as Fiona Hyslop made clear at the end of her speech.

As for Labour, I no longer know what it stands for. I do not know whether it stands for the European Union or for the United Kingdom. It is prepared to give Theresa May a blank cheque and let her agree whatever she likes. Lewis Macdonald did not clear that up at all.

On a point of consensus, I agree with the SNP's analysis of the Conservatives' position on Brexit.

The Conservatives, hamstrung by their right, are hellbent on a hard Brexit and have made no preparations. Indeed, the SNP's analysis is so similar to that of my party that it is adopting our slogans—the phrase “blank-cheque Brexit” was coined by the Liberal Democrats, and I am pleased that it is being used graphically by the SNP.

On 24 May last year, before the EU referendum, Philip Hammond, who is now the chancellor, made a powerful case for the single market, with which I agreed. He ridiculed the suggestion that we could have it all and that access to the single market was possible on the same terms as access through membership. He said that the leave campaign was offering

“a manifesto for the impoverishment of the British people.”—[*Official Report, House of Commons*, 24 May 2016; Vol 611, c 427.]

What Philip Hammond said was right then and is right now, but just when it is becoming clear how bad things will be and how impoverished we will become, Ruth Davidson has switched sides to become a hard Brexiteer and make us all poorer. Theresa May sold out the single market at lunch time today in her first major speech on the subject, before she had even opened the door to negotiations with the rest of the EU. What a betrayal that is of everything that she, her chancellor and Ruth Davidson promised.

**Adam Tomkins:** Will Willie Rennie explain how this is a hard Brexit? The Prime Minister said today:

“we seek the greatest possible access”

to the single market,

“through a new, comprehensive, bold and ambitious free trade agreement.”

That is not a hard Brexit; that is seeking full access to the single market.

**Willie Rennie:** That was quite a nice try but, in reality, we all know that Theresa May is planning to take Britain out of the customs union and the single market. That is a hard Brexit, and Adam Tomkins needs to understand that before he stands up in the chamber again.

**John Scott:** Will the member give way?

**Willie Rennie:** No. Sit down, please.

Ruth Davidson and her colleagues are prepared to impoverish the British people because the Conservatives were incapable of resolving their internal civil war on Europe; because of their tactical calculation that they could see off the United Kingdom Independence Party; and because they are prepared only to follow and not to lead. They will not stand up for our economy, our security and our jobs. I will never again accept

the point from the Conservatives that they are the party of business and the economy, because they have shredded that reputation with today's decision.

Ruth Davidson now expects us to believe that Brexit is a great opportunity when, only a few months ago, she said that it would be an unmitigated disaster. Some say that the decision is the biggest mistake since Suez and the decision to go to war with Iraq. I think that it is as monumental as those decisions. There will be significant long-lasting effects on our country and economy and on jobs and opportunities. However, the Conservatives are prepared to roll over, with no questions, no challenge and no leadership.

Although we might agree with the SNP on the analysis, we differ on the solution. We do not need the chaos of independence to compound the chaos of Brexit. We do not address uncertainty by bringing in more uncertainty.

The SNP's differentiated halfway-house solution has not got off to a good start. Governments across Europe have questioned whether the differentiated solution can work. I do not believe that it can. The SNP's pre-Christmas paper is an apparently serious attempt to present a plan, but the SNP's idea of a plan is to offer the solution that it always offers and which it believes is the answer to absolutely any possible problem—that is, independence. That was thinly disguised in the paper, but Fiona Hyslop revealed at the end of her speech that that is what it is all about. The SNP will dress it up in all sorts of ways but, in reality, it wants independence, because it does not believe in anything else.

I believe that we should go for a Brexit deal referendum, so that the British people have a say on the final deal and the detail.

**Dr Allan:** Will the member give way?

**The Deputy Presiding Officer:** The member is in his last minute.

**Willie Rennie:** That would be the democratic way to proceed to protect jobs and opportunities for people in this country.

I move amendment S5M-03427.2, to leave out from “welcomes the options” to end and insert:

“regrets that the paper does not countenance the UK remaining a full member of the EU; considers that voting for a departure is not the same as voting for a destination; believes that this democratic decision cannot end with a ‘blank-cheque Brexit’ and a deal that nobody voted for being imposed by a Conservative administration still unable to provide any certainty and beset by contradictions, and calls on the UK Government to agree to a referendum on the final terms of Brexit and all of Scotland's MPs in the House of Commons to vote against the triggering of Article 50 unless this is guaranteed.”

**The Deputy Presiding Officer:** We move to the open debate, with speeches of a tight six minutes.

15:07

**Ivan McKee (Glasgow Provan) (SNP):** The situation that we find ourselves in is not of our making. As a consequence of internal schisms in the Tory party that date back decades, Scotland finds itself at risk of losing the substantial benefits of membership of the European internal market. The situation was not the preferred option of the previous Prime Minister or the present one, and it is not the preferred option of the great majority of Scots or members of this Parliament, including the vast majority of Tories who, not that long ago, were arguing passionately for remain.

However, we must work together to extricate ourselves from this mess and navigate our way through the fog of Brexit to find the option that delivers the best deal for Scotland within the UK and is consistent with the wishes of the people of England and Wales to leave the EU and with the clear desire of the people of Scotland to stay in the single market. With political vision and leadership, that circle can be squared, and the Scottish Government has done just that through its proposal. It has proposed an option that works and which we all have a responsibility to fully consider.

“Scotland’s Place in Europe” makes it clear that the goal is to identify common ground with the UK Government on a solution that would protect Scotland’s place in the European single market from within the UK. The Scottish Government’s proposal does not prioritise the European single market over free movement and free trade within the UK. Just as the UK Government believes that free trade and free movement between the UK and the Republic of Ireland will continue after Brexit, the proposal seeks to secure the benefits of the European single market for Scotland in addition to, and not instead of, free trade across the UK.

Let us be clear about the proposal that is before us. Under it, Scotland would continue as a member of the European single market. Norway shows that it is not true that membership of the single market requires membership of the EU. However, Scotland would be outside the EU customs union if that was the option that the UK Government chose for the UK. As part of the UK, Scotland would also continue to be part of the UK customs union.

Membership of the single market does not necessarily mean membership of the EU customs union, as shown again by Norway. Liechtenstein and Switzerland are in a customs union with each other even though the former is part of the EEA but the latter is not.

**Dean Lockhart:** In looking at the Norway option, does Ivan McKee agree with the head of the Norwegian delegation to EFTA, who made it clear that, to enter the EEA agreement, a nation has to be a member of the EU or of EFTA and that, to become a member of EFTA, Scotland would have to be independent?

**Ivan McKee:** That is not the case. The Faroe Islands are negotiating to become part of EFTA, which shows that the scenario that we propose is perfectly possible. The details of that are included in the Scottish Government document, if Dean Lockhart cares to read through it.

As a member of the single market, Scotland would continue to enjoy the free movement of labour. There is no reason why Scots cannot continue to enjoy the benefits of working and living throughout the EU, even as citizens in other parts of the UK deny themselves those rights. The Isle of Man is not a member of the EU. EU citizens are unable to work there and Manx citizens are already unable to enjoy free movement across the EU, despite being British citizens. That demonstrates that differential solutions across these islands are possible and that there is no need for Scottish citizens to exclude themselves from the single labour market when the UK leaves the EU.

There would be no hard border for people between Scotland and the rest of the UK. The UK Government has been clear that the common travel area will continue after Brexit. There will be no hard border between Ireland, which will still be in the EU, and the UK, which will be outside it.

Differential immigration regimes within countries without internal borders are not uncommon. Provinces in Canada and states in Australia are concrete examples. The Prime Minister has made it clear that immigration controls will be deployed at the point of employment, which will allow for separate solutions in different parts of the UK. Scotland can have different immigration policies from those in the rest of the UK. Indeed, whatever the post-Brexit arrangements, Scotland, like London, needs to explore a distinctive approach to its immigration needs.

There would also be no need for a hard border for goods between Scotland and the UK. The border between Sweden and Norway—two countries with different relationships to the EU—shows that that would work, as does the border between Switzerland and Liechtenstein—two countries that have different relationships to the European single market but which are in a customs union with each other.

The Scottish Government’s proposal would deliver benefits to Scotland, the rest of the UK and the EU. Remaining in the single market would give

Scottish businesses advantages over businesses in other parts of the UK because of their access to the single market. The Scotland-in-Europe model would deliver significant benefits to the rest of the UK in that it would allow UK businesses to trade within the single market without leaving the UK. It would also allow European businesses the benefit of trading with the UK from within the single market. It is a win-win-win.

For the UK Government to fail to engage on those proposals is not only a slap in the face for the people of Scotland but a dereliction of its duty to find the best solution for the UK as a whole. For Theresa May, the Scotland-in-Europe option provides a get-out-of-jail-free card: it allows the UK to leave the EU while significantly mitigating the economic impact of Brexit and keeping the UK together.

I urge members across the Parliament to take the time to read and consider the Scottish Government document, understand the proposals and work with us to deliver that solution in Scotland's interests. However, I also say to the Prime Minister that a failure to engage with the proposals will not go unnoticed—it will go down in history as the moment when it was made crystal clear to the people of Scotland that the United Kingdom is anything but a partnership of equals.

15:13

**Alexander Stewart (Mid Scotland and Fife) (Con):** The referendum that was held on 23 June last year was decisive: the United Kingdom, as a member state of the European Union, took the decision to leave the political bloc.

The fact is that trade within the UK domestic market is four times as important to Scotland as trade within the EU single market. I welcome the fact that the Scottish Government has recognised and taken cognisance of that, but that also raises the question why it continues to put our participation in the UK single market in jeopardy. That position is utterly illogical.

**The Cabinet Secretary for Economy, Jobs and Fair Work (Keith Brown):** Given the point that Alexander Stewart has just made, does he think that it seems somewhat illogical if the Conservatives' position, which he has just described, is also that they should jeopardise the UK's biggest market, which is the EU and which accounts for 44 per cent of exports, in favour of a deal with Donald Trump on exports at around a third of that level? He cannot have it both ways.

**Alexander Stewart:** We have made it quite clear that we want full access to as many markets as possible. With our proposals, we would get full access to markets.

The First Minister has made it quite clear that she has been forced into ruling out a second Scottish independence referendum only for this year, but the threat still looms large and that is having a negative impact on investment and business confidence in Scotland. The business community understands that. Why cannot the Scottish Government understand the impact that it is creating with the issue of independence coming back on the agenda again and again?

**Stuart McMillan (Greenock and Inverclyde) (SNP):** Will the member take an intervention?

**Alexander Stewart:** No. I want to make some progress.

The recent survey that the Federation of Small Businesses carried out revealed that, in the final quarter of 2016, small business confidence in the UK bounced back to the pre-Brexit referendum level. That is very much to be welcomed. It shows the confidence that exists and that people believe in the future.

The small business index UK average is now 8.5 per cent but, in Scotland, the figure sits significantly lower than those in any other parts of the United Kingdom and considerably lower than that for London. It is the threat of another referendum on independence and not Brexit that is having the most significant impact on confidence in business in Scotland. The Scottish Government has to acknowledge that it and nobody else is creating that crisis in the business community.

**Stuart McMillan:** Will the member take an intervention?

**Alexander Stewart:** No. I want to continue.

**The Deputy Presiding Officer:** Please sit down, Mr McMillan.

**Alexander Stewart:** The Scottish National Party should stop harming our economy by completely ruling out another referendum for the duration of this session and end the uncertainty that it is creating. Rather than being obsessed with single market membership, the Scottish Government should do all that it can to work alongside the UK Government to ensure that we achieve the freest possible trade deal between the UK and the EU.

**Dr Allan:** Will the member take an intervention?

**Alexander Stewart:** No, thank you. Time is tight, and I am only halfway through my speech.

I am talking about a deal that allows the United Kingdom to make its own trading relationships with other nations. The ability to forge new trade deals with the rest of the world is vital in ensuring that things go forward successfully.

As other parts of the world continue to outstrip the European single market in economic growth,

we need to negotiate bold new trading relations with countries beyond the European frontier. In Scotland's case specifically, around 15 per cent of our exports go to the rest of the EU and 20 per cent of them go to the rest of the world.

Regardless of members' views on the US President-elect, everyone in the chamber should welcome his willingness to engage and to secure a quick and broad free-trade deal with the United Kingdom. Other countries, such as New Zealand and Australia, have, significantly, indicated their desire to quickly negotiate a bilateral trade deal with Britain. Once again, those countries see the opportunities that lie ahead, and they want to embrace them and do all that they can to support us as we move forward as a nation in the world market.

The Scottish Government's proposals that are set out in "Scotland's Place in Europe" seem to be more to do with politics than with trying to ensure that Scotland has a meaningful input into the UK's Brexit negotiations.

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

**Alexander Stewart:** No. I want to make progress.

**The Deputy Presiding Officer:** The member is not taking interventions.

**Ash Denham:** I see that.

**The Deputy Presiding Officer:** I can do that by myself, thank you, Ms Denham.

**Alexander Stewart:** Making suggestions on, for example, continued single market membership for Scotland while the UK leaves is simply unhelpful. Such a ludicrous situation would necessitate a hard border at Berwick and would stop Scottish businesses having unfettered access to the UK's domestic market. Even the SNP must acknowledge that that is four times more important to Scotland than the EU single market, as I have said before.

Perhaps if the Scottish National Party stopped using Brexit as a political smokescreen to mask its failings in government, it might be better able to represent Scotland's interests in the imminent negotiations on our future relationship with the European Union.

I support Dean Lockhart's amendment.

15:20

**Ash Denham (Edinburgh Eastern) (SNP):** I realise that some members on the Tory benches wish to stop giving chamber time to the issue of Brexit, especially as it was mentioned last week, but I assure them that on this, they are out of step

with the public, who are desperate for more information on this subject. Scotland voted overwhelmingly to stay in the EU and if the democratic will of the people of Scotland is to be realised, Scotland's voice must be heard during the negotiations.

The Scottish Government has now published its plan "Scotland's Place in Europe", outlining a potential way forward with a number of options. One option is to try to influence the UK Government to take a soft Brexit option. After today, I admit that I do not hold out much hope for that option. Another option is of course that Scotland could become an independent country and a full member of the EU. Today, I will talk about the third option, which is for a differentiated arrangement.

I accept that the UK Government has a democratic mandate to take England and Wales out of the EU but the mandate in Scotland is very different. Scotland must not be taken out of the single market against its will and all the indications are pointing towards what is called a hard Brexit. For Adam Tomkins's information, being outside the single market and outside the customs union is regarded as a hard Brexit. Why is that such a problem for Scotland? Because of its effect on our economy. Economists have said that a hard Brexit will cost up to 80,000 Scottish jobs and could cost the Scottish economy up to £11 billion per year.

**Dean Lockhart:** I believe that we are now on our 15th debate on Brexit. If the SNP focused on domestic issues such as productivity, it could improve the Scottish economy by £45 billion, according to Scottish Enterprise. That is a multiple of the amount that we are talking about as a result of Brexit. That is why we are telling the Government to get on with the day job.

**Ash Denham:** I realise that the Scottish Tories' policy—indeed, the UK Tories' policy—on Brexit is to have your cake and eat it but I think that after seven months of no substantive improvement in setting out a plan by the UK Government, we could all agree that that cake is now stale.

In challenging economic times, when global productivity growth is stalling, UK housing is so expensive and wages are stagnating, this is far from the time to inflict the economic carnage that would result from leaving the single market by choice—and it would be a choice. We do not have to make that choice. Scotland should negotiate to stay inside the single market.

Staying in the EEA would give us free movement of goods and services, allowing Scots to move around, to establish businesses and to build careers in EU countries. It would allow businesses to trade to a market of 500 million consumers—42 per cent of Scotland's

international exports go to the EU. It would continue to make Scotland an attractive place for foreign direct investment and give us access to a supply of skilled labour to fill gaps in our workforce, allowing companies to grow and flourish and universities to access the best talent for research.

That option is feasible. It would allow the UK Government to respect its mandate while respecting Scotland's quite different mandate, and protect Scotland's interests. The Prime Minister has said that she will listen to the options and that her view is of a United Kingdom where the four nations

"flourish side by side as equal partners".

Now comes the hour when the Prime Minister can demonstrate that principle and show by acting in good faith that she is willing to listen to and act upon the voice of Scotland.

The UK Government appears to be open to the idea of a flexible Brexit where that applies to different sectors of the economy or to Northern Ireland and Gibraltar. It is important to recognise that there are already a range of differentiated arrangements within the EU and the single market framework, which reflect a willingness throughout its history to be flexible. Examples include Denmark, which is a member, and Greenland and the Faroe Islands, which are not. The Faroe Islands are considering joining EFTA and have asked the Danish Government to support them in doing so.

**Daniel Johnson (Edinburgh Southern) (Lab):** I appreciate what the member says about the exploration of those options but can she give us an update on the status of those Faroese negotiations? My understanding is that they have not been taken forward and that the Danish Government has rejected that option as not being possible.

**Ash Denham:** I am trying to lay out that there are a number of different variants within the framework, all of which options are possible. The Channel Islands are not in the EU but they are in the customs union. Liechtenstein and Switzerland are in a customs union with each other, although the former is in the EEA and the latter is not. A solution for Scotland would vary in detail, but the principle is already well established and would be the same.

I join Ivan McKee in calling on the UK Government to support Scotland to negotiate a differentiated agreement whereby Scotland is in the single market, the EEA and EFTA in the same way that Norway, Liechtenstein and Iceland are, even if the rest of the UK is outside. I do not underestimate the difficulties in that. There are significant practical and technical challenges with

that option but I believe that, with the political will, it is possible. We are in an unprecedented situation and there are no set rules for what happens now. Imagination will be required for whatever comes next.

Differentiation within the UK is the very hallmark of devolution, allowing Scotland to make different choices because they are the right choices for our different circumstances and because they protect our interests. Fundamentally, devolution allows policy to be different across the UK precisely to reflect the democratically expressed preferences of the electorate, and Scotland has democratically expressed a very different preference. A differentiated arrangement is technically possible and would not cost the UK Government anything. I therefore ask the other parties in this chamber to give serious thought to that sensible and practical option and to support the motion.

**The Deputy Presiding Officer (Linda Fabiani):** I call Mark Griffin, to be followed by Graeme Dey. Time is really tight.

15:26

**Mark Griffin (Central Scotland) (Lab):** As Lewis Macdonald set out, we will support the Scottish Government's motion. We agree with the overall sentiments that it expresses and each of the points that it raises. We believe that Scotland benefits from having a strong relationship with the EU and that jobs and prosperity are best maintained through unrestricted access to the single market.

We welcome the fact that the Scottish Government has published a paper that lays out its options for maintaining Scotland's relationship with the EU, but we see that as a basis for discussions going forward, not as a final answer to the problems that we face. We want the Scottish Government to engage with UK ministers on their paper of alternatives and, crucially, we want UK ministers to listen.

Today marks a significant stage in the Brexit process, as Theresa May turns her back on UK membership of the single market. That makes serious engagement around Scotland's relationship with Europe all the more urgent. Last week, we debated the impact of Brexit on the human rights institutions of this Parliament and the UK. Given today's speech by the Prime Minister, I want to revisit that issue.

During last week's debate, I made it clear that, when key bills are lodged in Parliament this year—in particular, the proposed child poverty bill and the proposed social security bill—we must revisit those themes so that we can best secure and enhance civil, political, economic, social and cultural rights for people in Scotland. The

challenge that I laid down to this Parliament to act is now starker than ever. Theresa May has today detailed just what she means by “Brexit means Brexit”. She has, in one speech, reopened constitutional wounds and, at the same time, shown us that much uncertainty lies ahead.

I mentioned in the chamber last week that, because Brexit will lead to our leaving the EU, we will no longer be signed up to the Charter of Fundamental Rights of the European Union. I also raised the issue that, until we decide otherwise, the European convention on human rights will still be applicable through our membership of the Council of Europe and through the Human Rights Act 1998. That Labour Government act brings home our rights, giving our most vulnerable citizens a powerful means of redress and protecting us all against the misuse of state power.

It is clear that the Tories, not content with putting Scotland’s place in the EU at risk through their reckless Brexit gamble, are willing to put the future of the UK in danger at every turn and are now pressing ahead with putting those human rights at risk, too. However, the antidote from the Government benches—another referendum and yet more constitutional wrangling and uncertainty—will not protect Scots.

The Charter of Fundamental Rights of the European Union includes a broad range of civil, political, economic, social and cultural rights. If the charter no longer applies in the UK as a result of Brexit and no changes are made to compensate for that, there will be fewer limits with regard to human rights on the UK Parliament and on this Parliament. The challenge that we now face in this Parliament is clear: we need to protect and instil those rights in our own law. We know that

“Poverty erodes the values of dignity and equality that underpin all international human rights”,

so we should act, not least because we have the power to make laws to protect communities and it would do a disservice to Scots if we let the Tories remove those powers. Theresa May, in her speech today, made promises on workers’ rights, but given the Tories’ record on employment rights I will not be taking her word for it.

We have a job to do. We now need to think about how we incorporate more of those rights into Scots law using the powers that we have, and how we prevent the Tories from removing rights from UK law. Scottish people do not need politicians from different halves of the country constantly facing off against other and furthering the cold war of constitutional politics.

In the debate, we should not lose sight of the fact that 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. Our exports to other EU countries are worth about a quarter of the value of our trade with the rest of the UK. Scotland’s trade with the UK single market is worth £48 billion, and we trade twice as much with the rest of the UK as with the EU and the rest of the world combined. The last thing that we should be considering following a hard Tory Brexit is withdrawal from our most important market and partnership.

15:31

**Graeme Dey (Angus South) (SNP):** I wonder whether we could, for a moment, focus on the human aspect of all this: the people who are in the firing line of Brexit and those who could, if Scotland finds itself with no access to the single market, suffer directly from its consequences. I refer not only to the overwhelming majority of Scots who voted to remain, and those who voted to leave but not for the hard Brexit that is emerging, but to the many EU nationals who have made Scotland their home and have found themselves being treated as bargaining chips or negotiating capital. They include the seasonal migrant workers who ensure that the Scottish agricultural sector functions; the 13 per cent of the staff of Abertay University—which I visited on Monday—who hail from other EU states and do not know what the future holds; the 450 students at Dundee and Angus College whose places are supported by European Union funding; and the 80,000 Scots who could, it is predicted, lose their jobs within a decade if we are out of the single market.

At the end of June last year, a matter of days after the Brexit vote, Parliament debated the potential implications for Scotland. My contribution to that debate focused on the uncertainty for, and impact on, EU nationals who are living in our communities and the businesses that rely on EU migrant workers to succeed. Here we are, more than six months later, and I find myself returning to that theme—not to score political debating points but because the intervening period has provided, at best, only partial apparent progress for the former and no progress for the latter. We are talking about real people and real Scottish businesses.

As other SNP members did for their constituents, last summer I wrote to the 800 or so EU nationals who live in my constituency to reassure them that they are welcome in Scotland and that the Scottish Government would be doing all that it could to protect their status. I and my colleagues were attacked for writing to those folk, so it is interesting to reflect all these months later on the allegation that we were trying

“to stoke up fear among people who have no question marks over their status.”

Here is the thing: there really were question marks over their status, and they remain, even though the Prime Minister sought today to shift the blame for that on to others by claiming that she would strike reciprocal residency deals as a priority, but that one or two other member states are opposed to doing so. It will be interesting to see over the coming hours and days whether that is accepted by the other members of the EU or exposed as an attempt simply to seek cover for maintaining the “bargaining chip” approach. It would be unforgivable if the UK were to continue to be behind the continuing uncertainty that EU nationals face.

In the debate in June, I highlighted the situation of migrant workers in my constituency by mentioning Angus Soft Fruits, which requires 4,000 seasonal workers between March and November each year. We are now the best part of seven months on, with the 2017 season almost upon us, and we are no further forward in securing a positive outcome. Today’s statement appeared to indicate a hardening on the issue. There had been positive noises from Amber Rudd and Andrea Leadsom on the principle of a seasonal permit scheme for the agricultural sector being put in place post-Brexit. Set against that, the Chancellor of the Exchequer, Phillip Hammond, drew a distinction between highly skilled, highly paid EU workers and those who would be “taking entry-level jobs”. Further, discussions between Angus Soft Fruits’ UK trade body and the UK Government immigration minister went so swimmingly that a representative from Angus Soft Fruits told a committee of this Parliament that it is possible that the business would have to relocate to follow the workforce. In her speech today, the Prime Minister followed Philip Hammond in drawing a distinction between highly skilled migrants and anyone else, and she pledged that she would deliver control over the number of people who come to Britain. It is no wonder that, this afternoon, the NFU Scotland is querying where that leaves it when it comes to accessing the necessary workforce.

In contrast, the Scottish Government is very much alive to the dangers. I am grateful to Mike Russell for taking the time to meet me and Angus Soft Fruits, and for committing to continue to press the UK Government on the issue and to visit the company’s operation in Arbroath in the next few months.

The Scottish Government might not be in the driving seat when it comes to shaping Brexit, but it has offered sensible navigational advice. It has showed a willingness to compromise in order to minimise the impact of this appalling situation, and a determination to protect the interests of the people by whom it was elected and Scotland’s economic interests.

Standing up for what is right for Scotland is a duty that falls to all of us—not just to the Scottish Government, but to all 129 MSPs who were elected to serve in this Parliament, including the Tories. Tory MSPs will have nowhere to hide at decision time tonight. Either they stand up to their Westminster masters and for Scotland’s interests—interests that are certainly not served by leaving the single market or the customs union—or they can roll over and join the Westminster Government in pandering to the very worst Brexit elements within and outwith its own ranks. It is over to them.

15:36

**Ross Greer (West Scotland) (Green):** Earlier today, Theresa May gave a speech that was confused, contradictory and dangerous. It appears that the Westminster Government is intent on hurtling towards a hard Brexit. Despite the odd seemingly kind phrase, we learned that there will be an end to free movement and that we will be out of the single market—exactly the hard Brexit that we feared.

Despite the single line that acknowledged the Scottish Government’s proposals, the plans that were set out today are entirely incompatible with “Scotland’s Place in Europe”. Theresa May would have to depart far from today’s speech to even get halfway towards the Scottish Government’s proposals, which we in the Greens had already seen as being at the limit of reasonable compromise.

The Fraser of Allander institute report that was commissioned by Parliament—and which has often been mentioned in recent debates—makes for pretty dark reading. Hard Brexit will mean an £8 billion loss to our gross domestic product, a £2,000 drop in the average wage and the loss of 80,000 jobs in Scotland.

This Brexit plan was dreamed up by ideologues of the Tory right. They do not need to worry about it though—those who have existing power and wealth rarely do. The people whom the plan will hurt are the people whom we all represent. Every one of us knows the consequence of a £2,000 drop in the average wage for the areas that we represent.

The damage of a hard Brexit is not just economic. As we have heard today, Brexit is about the kind of country and society we want to be. The Westminster Government is indicating that it will fire the starting gun on a race to the bottom. How much lower can we go? Take EU employment rights—they are already only a minimum standard, with the idea being that member states are free to legislate to a higher standard. However, the UK is right at the bottom of the table.



Last week, I laid out the hypocrisy of a Conservative Party that pledges to defend workers' rights, but whose major piece of antiworker legislation in recent years was so sinister that the now Brexit minister described it as being more akin to Franco's fascist regime than to the UK of the 21st century.

It is essential that we have the powers to defend workers' rights here in Scotland, so the Greens welcome the proposals from the Scottish Government to devolve powers over employment, for example. If that were to happen in the event of Brexit—we do not accept that Scotland will leave the European Union—we will have won those powers not just to maintain an unacceptable status quo, but to make bold and vital improvements to the rights of workers in Scotland.

The Westminster Government has been accused of creating a “deliberately hostile environment” for EU migrants; we have already witnessed that uncaring state in action. A Dutch woman who has lived in the UK for almost three decades was told to make preparations to leave the UK—to leave her family. A German neuroscientist who has lived here for almost two decades was also told to make preparations to leave. I am sure that we all have in our inboxes similar stories of errors in the system, from constituents.

If a differentiated Brexit is the result of that process, with Scotland staying in the single market and controlling our immigration and asylum policies along with workers' rights, we will have won not just the power but the responsibility to end a cruel and broken system.

The failure of the Tory UK Government to guarantee the status of EU citizens living here is nothing short of a disgrace. Even today, Theresa May failed to do that when speaking to the European press, and attempted to pass on the blame to other Governments. That is a politics from which Scotland must break free.

The Scottish Government has proposed a compromise in which we would retain membership of the single market. It would allow us continued free movement and would, as has been mentioned, require devolution of employment law, among other powers. Our retaining membership would offset some of the costs of Brexit and give us some separation from the hard-right neoliberal future that Westminster seems set to pursue.

On trade, for example, it is essential that Scotland is not unwillingly made subject to trade deals that have been negotiated by the likes of Liam Fox. We are often told that we have one of the most powerful sub-state parliaments in the world—that was one of the promises that was made to us after the 2014 referendum—but while

we stood powerless, Wallonia brought an intercontinental trade deal grinding to a halt until the reservations of its elected Parliament were addressed. If Scotland has a future inside the UK, we require such powers in order that we can adequately represent the needs of our society and economy.

The previously mentioned Fraser of Allander institute report estimates that a Norway-style European Economic Area deal—albeit for all the UK—would, in the best scenario, see Scottish GDP drop by £3 billion, wages drop by £800 per person on average, and a loss of 30,000 jobs. That is quite a compromise.

It is probably the Westminster Government's last chance to ensure that Scotland continues to be part of the UK. Yet, for all that Theresa May spoke about wanting the UK to be more united than ever before, she has steadfastly refused to compromise. A vote on our own future is all but impossible to avoid: it is time that we put Scotland's future in Scotland's hands, because it is certainly not safe with the Conservatives at Westminster.

15:41

**Clare Adamson (Motherwell and Wishaw) (SNP):** I agree with the Prime Minister's opening comments in her speech today. This is about more than negotiating a new relationship with the EU. It means taking the opportunity of this great moment of national change to step back and to ask ourselves what kind of country we want to be.

Who does Scotland want to be? In every local authority, we voted to remain. To the Prime Minister I say that we did so with our eyes open. I urge colleagues from all across the chamber to look to “Scotland's Place in Europe” and the options that are presented in it for a differentiated solution for Scotland, and to support the Scottish Government's continuing work to secure Scotland's current position in the EU and our place in the European single market.

I encourage Alexander Stewart to go out and speak to a few more of his constituents and the industries in his area. Like many MSPs from across the chamber, I have been discussing with constituents what Brexit will mean for them. Without exception, of the four freedoms of goods, services, capital and persons—the freedoms that define the core obligations of membership of the European single market—they are most concerned about the movement of labour. Whether it is the view from the software industry or the soft-fruit sector, free movement of labour is extremely important to Scotland's economy and our future.

**Adam Tomkins:** In the spirit of consensus with which Clare Adamson started her remarks, I agree that the movement of labour is important to the Scottish economy and business. I also agree that access to migrant labour is important to the Scottish economy. Why does that movement and access have to be free? We are not talking about the movement of migrant labour; rather, we are talking about uncontrolled immigration.

**Clare Adamson:** I draw Mr Tomkins's attention to some of the comments that have come from the European Union about the four principles of the European Union. Jean-Claude Juncker said:

"those who want to have free access to our Internal Market have to implement all four freedoms without exception, without nuance."

Angela Merkel said:

"access to the single market is only possible under the condition of adherence to the four basic principles."

It is not an à la carte menu from which we can pick and choose; it is membership of the club and abiding by its rules.

I am appalled that the Scottish Tories seem to have abandoned even the position that they took after the Brexit vote, when Ruth Davidson said that the overriding priority was to stay in the single market. Indeed, in July, on national television—the BBC's "Sunday Politics"—she said:

"I want to stay in the single market even if the consequence of that is maintaining free movement of labour."

What has changed? What is the material change in circumstances that has now led the Tory front-bench members to argue for the Tory hard Brexit that I believe no one who voted leave thought would happen—and especially not to the extent that we are now hearing about?

In today's debate, there has been a great revelation—not the great revelation of what Brexit means because, as we know, Brexit means Brexit and, now, that means a hard Brexit, but the great revelation that the SNP believes that independence is the best solution for Scotland. Who would have thought it? I can understand why the Liberals and the Tories seem to be absolutely fascinated by that position because, after all, it is a consistent position—something that they seem to be unfamiliar with. However, it is a legitimate stance for the SNP to take, just as it is legitimate—given the position that we are in—to argue for people to support our Government to continue to maintain Scotland's position in Europe and the single market, within the relationship that we currently have in the UK. I urge the Tories to get behind that commitment.

**Willie Rennie:** Does Clare Adamson disagree with the First Minister's view, as expressed in the

debate in the Scottish Parliament after the referendum, that this process is "emphatically not" about independence? It is clear that it always has been about independence.

**Clare Adamson:** It will come as no surprise to anyone in the Scottish nation that the SNP believes that the best solution for Scotland is independence. That does not mean that we do not argue for what is best for Scotland on each and every day on which we represent the people of Scotland in this place.

Today, we have heard mentioned over and over again the view that the Government's proposed solution for Scotland will be extremely difficult—although not impossible—to achieve. Well, it is not called "hard Brexit" for nothing. However, let us get behind the Scottish Government and its proposals, as set out in "Scotland's Place in Europe", and get to the bottom of securing Scotland's position in the single market and our relationship with the EU, because that is the type of country that we want to be.

15:47

**Rachael Hamilton (South Scotland) (Con):**

The Conservative amendment to the motion encourages all parties and the Scottish Government to work with the UK Government and other devolved Governments in the UK to achieve the best possible negotiated outcome for Scotland and the United Kingdom.

Negotiating the terms of Brexit with the EU 27 will be a highly complex task. Reaching consensus will not be easy. The joint ministerial committee, in its new framework, will feature representatives of the devolved Administrations, and they will be fully engaged in the negotiation process.

Today, our Prime Minister set out a clear message that she wants the UK Government to work with others to find common ground and pursue a bold and ambitious free-trade agreement with the EU in order to achieve the freest possible trade in goods and services. That is why current monthly intergovernmental discussions in the form of the joint ministerial committee are key to Scotland's place in negotiations and provide an important platform for all the devolved Administrations.

The Culture, Tourism, Europe and External Relations Committee recently produced a report compiling 150 written submissions received in response to a call for evidence. The report drew together the views of individuals, bodies and organisations across Scotland that highlighted the needs of different sectors, such as agriculture.

**Joan McAlpine (South Scotland) (SNP):** I am glad that Rachael Hamilton raised the work of the

committee, which has engaged widely with people across Scottish society. However, I point out that the report has not actually been published yet.

**Rachael Hamilton:** I will not reveal any of the contents of the report.

In the context of the information that has been published, how will current EU funding programmes be replaced by domestic funding arrangements? Those are the types of things that will need to be discussed. We welcomed the Chancellor of the Exchequer's announcement that a commitment to the continuation of common agricultural policy funding to 2020 will be forthcoming, and it should be the intention of Michael Russell—who I am sorry to see is not here today—to continue to support negotiations for industries such as the Scottish agricultural sector. It relies on support payments, which account for two thirds of total net farm income in Scotland.

It is crucial that the Scottish Government publicly recognises the importance to Scotland's economy of the UK domestic markets over the EU single market. Yesterday, NFU Scotland sent out a briefing paper that said:

"Scotland's most important trade partner is the rest of the UK. Some 80% of our produce goes to the UK, and this cannot be undermined".

Similarly, the Fraser of Allander institute says that although it is estimated that 250,000 Scottish jobs are tied to the EU, a million more rely on Scotland being part of the UK.

We must look at the positives. Scotland forms part of the UK, which is one of the fastest-growing economies in the G7. It affords us a strong negotiating stance, with potential new global partners such as New Zealand and America. We currently operate within some of the most stringent rules and regulations when producing goods and services, which will give us the confidence to export quality products. Moreover, the Bank of England will upgrade its UK growth forecast next month. Those things are, generally, all positive.

It is clear that we must prioritise relations with our largest trading partner and I make a plea to those who wish to break up our country: please take the threat of an independence referendum off the table once and for all.

The Scottish Parliament will need to use its new economic and fiscal powers and responsibilities wisely. How the new devolved powers are used will determine how Scotland can best position itself post Brexit. Ministers say that vital tax powers will create a "fairer and prosperous" Scotland. We want to see support for businesses, giving us a high degree of competitiveness, attracting inward investment and encouraging entrepreneurship.

The SNP motion states:

"that the UK as a whole should retain its place in the single market, ensuring rights not just for business but for citizens, and that, in the event that the UK opts to leave the single market, alternative approaches within the UK should be sought that would enable Scotland to retain its place within the single market".

It is regrettable, for the 2 million of us who opposed an independence referendum back in 2014, that the First Minister decided to publish a draft consultation on a second independence referendum bill. Surveys have shown that at least a third of SNP voters voted to leave the EU, allegedly along with a number of SNP MSPs who are in this chamber today. It may pain members to hear this, but the EU referendum was not designed to put Scottish people in a position of choosing between membership of the UK and membership of the EU.

**Dr Allan:** Will the member give way?

**Rachael Hamilton:** I have not got much time, but I will.

**Dr Allan:** Will Rachael Hamilton clarify where in its proposals the Scottish Government says that the people of Scotland should have to choose between trading with the UK and trading with the EU?

**Rachael Hamilton:** It is obvious what will happen if you put voters in that situation, particularly leave voters who voted yes in the independence referendum but no in the EU referendum.

The Scottish Government's "Scotland's Place in Europe" paper explores ways in which Scotland could retain its place in the single market. The Norwegian model is given as an example. Let me explain: Norway is a member of the single market but not a member of the EU. In his "Lessons from the Norway-EU Relationship", Professor Ulf Sverdrup, the director of the Norwegian Institute of International Affairs, stated:

"The truly unique element of the Norwegian model is that the arrangement entails 'integration without representation'".

**The Deputy Presiding Officer:** You must come to a close.

**Rachael Hamilton:** That is not something that the First Minister, in her "Scotland's Place in Europe" paper, has said that she wants. I will come to a close—

**The Deputy Presiding Officer:** You have come to a close. Thank you.

15:54

**Richard Lochhead (Moray) (SNP):** As a member said earlier, it is important to keep at the

front of our minds that the Brexit debate is now impacting on the everyday lives of people in Scotland. We can see that from the economic statistics in today's news. For example, a headline in the online edition of *The Guardian* is:

"UK inflation hits two-year high".

Underneath, it says:

"Brexit-fuelled fall in pound will squeeze family finances in 2017".

The article says:

"The worries stem from sterling's drop against other currencies since the vote to leave the EU last summer. A weaker pound has raised the costs of imports such as food and fuel, and businesses are starting to pass that on to consumers ... The pound is down almost 20% against the dollar since the referendum".

It adds:

"Apple said on Tuesday that it was raising prices on its UK app store by almost 25% to reflect sterling's sharp depreciation."

No doubt that will affect hundreds of thousands of people in Scotland as well. Whether it is food prices, input costs for our factories and our businesses or even Apple products, the issue is having a real-life impact on the people whom we in this Parliament represent.

I genuinely believe that the people of Scotland did not vote for the hard Brexit that the UK Tory Prime Minister outlined today. Dean Lockhart even said in his speech that it is really important that the SNP listens to the people of Scotland. Well, Scotland voted to remain in the EU. Some 62 per cent of people in Scotland voted to remain in the EU. If Dean Lockhart and the other Conservatives listen to their constituents, they will also find that many of the 38 per cent who voted to leave did not vote to leave the single market or to take all the economic damage that is probably in the pipeline due to the UK Government's policy. I put it to the Conservatives that it is the SNP that is listening to the people of Scotland and the Conservatives who are not.

**Dean Lockhart:** I remind the member that a higher percentage of people voted to remain in the UK in the independence referendum. Will he listen to those people and rule out another independence referendum for a generation?

**Richard Lochhead:** The SNP absolutely respects the results of the 2014 independence referendum. Is it not a pity that the Conservative Party will not respect the results of the referendum on Europe in Scotland, where 62 per cent of people voted to remain? I will come on to the options that face Scotland for the future but, on respecting referendum results, it really is important that the Conservative Party, which keeps on referring to itself as the official Opposition in this

Parliament, actually listens to the people of Scotland.

I was absolutely aghast to see in the Prime Minister's speech sympathy being expressed for Spanish fishermen in relation to the impact of Brexit. There was, of course, not a mention of the concerns that have been expressed by Scotland's fishing industry and seafood sector about our potentially leaving the single market or severing all links with Europe, even in a Brexit situation. That is also a very serious situation.

I will give the Conservatives a short history lesson in the most respectful way that I can. In the 1980s, the Spanish managed to negotiate early access to our fishing grounds in Scottish waters. The response of the Highlands and Islands and the north-east of Scotland was to eject from Parliament every single Conservative elected politician from that part of the country. The Conservatives are now in danger of repeating history because, believe you me, if they sell the fishermen down the river once again in the Brexit negotiations, the people of the north-east of Scotland will vote out every single Conservative MSP and MP at the next elections.

George Eustice was in the news just a few months ago saying that it was potentially the case that the UK would use the fishing industry as a bargaining chip during the Brexit negotiations, and today we have Theresa May, the UK Prime Minister, saying that she has some sympathy for the plight of the Spanish fishermen. That will go down like a bucket of rotten fish in Scotland's coastal communities when they hear about that comment.

**Jackson Carlaw (Eastwood) (Con):** I feel that I need to correct the member's history. In fact, in the 1992 election, the Conservatives gained a seat in the north-east, and in 1983 we retained all but two of the seats that we had won in Scotland. It is worth remembering that, throughout the whole of the 1980s, in every one of those elections, the Conservatives won more seats than did the SNP.

**Richard Lochhead:** I am old enough to remember the Conservative wipe-out in Scotland in 1987, and a big part of that was the way in which the UK Government had betrayed Scotland's fishing communities time and again.

I turn to some other comments in Theresa May's speech today. She said:

"There are two ways of dealing with different interests. You can respond by trying to hold things together by force, tightening a vice-like grip that ends up crushing into tiny pieces the very things you want to protect. Or you can respect difference, cherish it even".

I say to the Scottish Conservative Party that, if that applies within the European context, surely it applies within the UK context as well. Why can we

not have a Conservative Party that respects the difference within the UK and perhaps even cherishes it, in terms of its approach to Brexit in the future?

She went on to talk about the need for compromise and for people on both sides of the debate to use their imagination. Can the UK Prime Minister and the Scottish Conservatives not adopt that approach in the context of Scotland's position, given that 62 per cent of Scots voted to remain in the EU and that, as I said, many of those who did not do so want to retain our economic links with the EU? I hope that the Scottish Conservatives will reflect on that after the debate.

Back in July, Ruth Davidson said that her view was that Scotland should retain membership of the single market, even if the cost of that was retaining the free movement of labour.

**The Deputy Presiding Officer:** You must close, Mr Lochhead.

**Richard Lochhead:** We need to find out whether that is still the Scottish Conservative Party's position, because it is extremely important from the perspective of everyone who will be affected by the Brexit debate that all the political parties stand together, stand up for Scotland's interests and put those interests first when it comes to securing living standards in this country.

**The Deputy Presiding Officer:** I call Oliver Mundell, to be followed by Joan McAlpine.

We are extremely tight for time. I remind members that if they go over time, it just penalises their colleagues.

16:00

**Oliver Mundell (Dumfriesshire) (Con):** Following this morning's powerful speech by the Prime Minister, I am delighted to have the opportunity to contribute to this afternoon's debate, because—perhaps for the first time—we have something concrete and sensible to discuss. Indeed, we now have much of the clarity that the SNP has been demanding. Therefore, it is a bit disappointing that the SNP has decided to confuse agreeing with the proposals that have been set out today with the fact that the commitment to set them out has been delivered. I would have thought that even the SNP would have welcomed the confirmation that the freest possible trade agreement with the EU, the protection of workers' rights and cross-border co-operation on tackling crime will be key priorities for the UK Government, given that it represents recognition of some of the suggestions that it put forward in "Scotland's Place in Europe".

However, I will give credit where credit is due. The motion makes it clear that the Scottish

Government is slowly edging towards a more realistic outlook, and I think that it is to be welcomed that ministers now explicitly recognise that it was a UK-wide decision to leave the EU and that it is therefore the UK, as the member state, that will be taking forward the negotiations.

**Richard Lochhead:** Oliver Mundell's Scottish leader said in July:

"I want to stay in the single market ... even if a consequence of that is maintaining free movement of labour."

Is that the member's position today?

**Oliver Mundell:** Ruth Davidson has made her position very clear in fighting Scotland's corner in the Brexit debate. By helping to secure the freest possible trade agreement with the rest of the EU, she will help to secure jobs for people here in Scotland. It is about time that the SNP got behind that approach, instead of harping on about things from the sidelines. Mr Lochhead might shake his head, but it is welcome that, in the motion, Government ministers have recognised that Scotland's trade within the UK and our access to the UK single market are worth four times the value of our trade with Europe, as my colleagues have said time and again.

That said, in my view the motion still strikes the wrong balance and the wrong tone. Since the day after the referendum, when Nicola Sturgeon hurried out her statement in response to the referendum result, the SNP has failed to properly address the concerns and views of the Scottish people. There is a big difference between independence, which the SNP wants, and standing up for Scotland's interests. The reality is that, as in the rest of the UK, most people across our country—regardless of how they voted—recognise that they want the UK Government to deliver for the whole of the UK the outcome of leaving the EU and to thereby fulfil the wish of the British people. They do not want to be left in limbo on whether a further independence referendum will be held or when it comes to continued or partial membership of the EU.

The Scottish Government's paper, "Scotland's Place in Europe", takes a great deal of time to cover a number of options that would leave Scotland in a different position from our counterparts across the rest of the UK, and there is absolutely no evidence to suggest that that is the will of the Scottish people. Again, it is high time that the SNP differentiated between its own desire for a less unified United Kingdom and the wishes of the Scottish people.

In contrast to the UK Government's clear and reasonable plan, "Scotland's Place in Europe" is highly complex when it comes to identifying deliverable outcomes and, more disappointingly, it

is completely underwhelming when it comes to delivering an outcome that people here in Scotland desire.

It is clear to me, although it seems to have escaped many of the hard-left separatists on the SNP benches, that people living in Scotland want to see an orderly and expedient Brexit. Although they want a bespoke model, I do not think that anyone living in Scotland is inspired by the concept of being some kind of reverse Greenland or the new Norway.

**Ivan McKee:** Will the member take an intervention?

**Oliver Mundell:** Sure.

**Ivan McKee:** I want to get the member's reaction to something. I heard Suzanne Evans of UKIP on the "BBC Daily Politics" show this afternoon commenting on the Prime Minister's speech. She said that she was delighted because Theresa May "was channelling UKIP". What is the member's reaction, given that he was a supporter of remain, now that his party has moved so far to the right on this issue that it is channelling UKIP?

**Oliver Mundell:** I do not think that I will be taking any lectures about being a populist party that models itself on UKIP from the SNP, which itself—*[Interruption.]* You can shake your head; if you want to stand up and intervene, go ahead. It is the Scottish National Party that has a fixation on a single issue. It is the Scottish National Party that is determined to bring back the debates of the past. It is the Scottish National Party that failed to recognise that the United Kingdom is one of Europe's largest economies, that we are not on a par with the Faroe Islands, that we are more than capable of negotiating a good free trade deal with Europe and that we will be able to compete globally. Rather it has tried to scaremonger and perpetuate a negative outlook.

**Dr Allan:** Will the member take an intervention?

**The Deputy Presiding Officer:** The member has no time.

**Oliver Mundell:** These are my last few seconds.

That is why, rather than focusing on the Scottish National Party's usual doom and gloom, it is time that we focused on the opportunities that truly global free trade offers Scotland and our economy.

16:06

**Joan McAlpine (South Scotland) (SNP):** I, too, listened carefully to the Prime Minister's speech today. She talked about the sort of country that we want to live in, but the vision that she outlined was not of the kind of country that I want to live in, or that 62 per cent of Scots voted for.

Theresa May's threat, which was trailed by Philip Hammond, was of deregulation—a cut-price Britain—and, as the cabinet secretary said, "a race to the bottom". It suggested that the UK Government is leading a country that is desperate to survive its self-inflicted woes by undercutting its neighbours. That is why it is so important that, as "Scotland's Place in Europe" argues, we get powers over employment and social protection in order to stop Scotland being dragged down with the UK Government.

The Prime Minister at least made it clear today that the UK would be outside the single market, which even her own Tory leader in Scotland has argued against. Nearly every single business organisation has argued against it, too.

Today Mrs May said something that I agree with, however: more trade means more jobs. However, our leaving the single market will mean barriers to trade; it will mean less trade and fewer jobs.

The Prime Minister's delivery today was smooth, but that served only to gloss over the incoherence inherent at the heart of her speech. We cannot, as Mrs May suggested, leave the customs union but also negotiate away customs controls—controls that the ports operators have warned will cause serious tailbacks and increase costs.

Neither can we negotiate a free-trade deal, as Mrs May has claimed today we can, while giving special treatment to car manufacturers or financial services. As trade experts have told the Culture, Tourism, Europe and External Relations Committee, World Trade Organization rules specifically state that opt-outs for individual sectors are not allowed; deals must cover all sectors of the economy.

It is not even clear that a free-trade deal, however "bold" and "ambitious" it is, as it is constantly being referred to, can be negotiated within the two-year window. If Mrs May is so confident of securing the free-trade deal that Oliver Mundell talked about, why did she feel the need to threaten our European partners by undercutting them in her race to the bottom? We know, for example, that CETA—the comprehensive economic and trade agreement with Canada—took seven years to negotiate: seven years to negotiate access that is suboptimal when compared with the access that we currently have to the single market.

That brings me to the motion on the Scottish Government's paper. I was pleased to hear the Prime Minister say that she would consider the paper very carefully. As the cabinet secretary suggested, Mrs May's speech spelled out that Brexit will be complicated, messy and, for all her rhetoric, uncertain.

The Scottish Government's proposal is clear, but it does not pretend to be an easy option. It attempts to deliver the democratic desire of the people of Scotland to remain in the single market. In fact, people in Scotland voted to remain in the EU—as such, the SNP position is a significant compromise.

**Oliver Mundell:** Does Joan McAlpine accept that there is a significant difference between people voting to remain part of the EU as was and voting for a suboptimal halfway house that delivers neither the advantages of leaving the EU nor the benefits of being a full member?

**Joan McAlpine:** People in Scotland voted to remain in the EU and in the single market, and most of the people in the opposition parties—not Oliver Mundell—argued for Scotland to remain in the single market. That is what the Scottish Government's paper proposes. It would not be easy, but Brexit will not be easy.

The compromise on the customs union that the Scottish Government offers is incredibly significant. We have said that we will shadow the UK's decision on that, even though all the evidence suggests that it would be far better to remain in the customs union.

As well as being a compromise, Scotland's place in Europe is part of the process of Scottish devolution. The paper makes reasonable proposals about further devolution of powers over areas including immigration. During the referendum campaign, Michael Gove wrote to the First Minister and suggested that such powers could be devolved, along with further powers over employment and social protection. Also, the power for Scotland to enter discussions and agreements with other countries would allow us to work with the European Free Trade Association as a way of remaining within the EU, with the co-operation of the UK Government. That is the key issue.

A few years ago, we were told that it was not possible for Scotland to have additional powers over, for example, income tax. As part of the devolution process, people have changed their minds and Scotland has assumed those additional powers. It is therefore absolutely not out of the question for additional powers over making treaties, for example, to be devolved to Scotland, as the paper suggests. Indeed, the EU already negotiates with federal countries that have provinces that have treaty-making powers, such as the Canadian provinces, which were closely involved in the CETA negotiations. I also noted from the paper that the Scottish Government is clear that, if that is not enough, the UK Government could co-operate with Scotland and sponsor Scotland's membership of the EFTA.

**The Deputy Presiding Officer:** You must come to a close, Ms McAlpine.

**Joan McAlpine:** If Theresa May really values what she called the "precious union" of the UK, she will respect Scotland's position and Scotland's vote, and she will pay close attention to the Scottish Government's paper and how the UK can work with Scotland and the rest of Europe to deliver a democratic result for all the countries of the United Kingdom.

**The Deputy Presiding Officer:** We have two members still to speak, but I am afraid that I have to cut both your speeches to five and a half minutes.

16:13

**Pauline McNeill (Glasgow) (Lab):** Today's speech by Prime Minister Theresa May is the most significant since the referendum on 23 June. We now have some clarity and some commitments, but also some unanswered questions. I welcome the limited clarity that we got from the speech that set out 12 objectives for the Government to focus on in its attempts to negotiate the deal for Britain and Scotland. That gives us some guidance for the months ahead, and we now know that both Parliaments will vote on the Brexit deal.

We know that we are here because of the unbelievable and remarkable divisions in one party. We know that Theresa May said clearly that a vote to leave would mean that citizens would be worse off, and we remember that she also said that a vote to leave the European Union was not a vote to leave the single market. She U-turned on that today. In a sense, that is frustrating, but it is pointless to say so now, given the enormity and complexity of the task ahead.

This is the most critical time that I remember in my lifetime. Whether we call it "extreme Brexit", "hard Brexit" or anything else, what is proposed marks a serious separation from most European mechanisms and institutions.

However, I want at least to make something of a positive contribution to the debate. I speak as someone who seriously considered options on both sides of the referendum debate. I considered the leave arguments because I have always had concerns about the European Union's remoteness from ordinary people. I was appalled at the EU's behaviour towards Greece, which has had crippling debt arrangements imposed on it. However, like Greece's former finance minister, Yanis Varoufakis, I thought that it would be better to remain a member and to reform the EU from within. That means that I see that opportunities exist—although I qualify that remark: they must be based on the best possible access to the important single market.

I took up Adam Tomkins's recommendation and am reading Tim Shipman's staggeringly interesting book, which goes behind the scenes on Brexit. Some commentators think that if David Cameron had asked the EU for restrictions on freedom of movement, he might have won them. That is an important lesson in history, although we will never know the answer.

Theresa May said that she wants Britain to be "a magnet for ... talent". If she believes that, the Tories will have to embrace a much more progressive policy on immigration, hard though that will be. If foreigners feel that the UK is not a welcoming country, we will not attract the best talent. We cannot be an international Britain and a global power that attracts the best talent without implementing a more progressive immigration policy—albeit with some controls. Theresa May has a lot to do to convince us.

As Richard Lochhead said, Theresa May said that diversity, which she mentioned many times, must not be imposed by force. She must lead on that if we are to look like an immigration-friendly nation, so I call on her to do so.

I have said in Parliament that if Scotland and the other UK nations are to be fully engaged in how we move forward, we need a much bigger say in post-Brexit immigration policy. If Scotland has a shortage of skills in any sector, there must be a mechanism whereby we can influence immigration to the UK that benefits Scotland.

It is certain that Brexit, more than anything else, is affecting confidence in British markets. The response from the markets today is interesting.

We have yet to hear detail on the customs union question. If I heard Theresa May correctly, it seems that there might be special terms for certain sectors and industries. Although I lodged a motion last week about the finance industry's fears—the head of HSBC said that the system is "like a Jenga tower" that could fall apart, and Brexit will certainly have a slowing effect on a finance sector that has been part of the wider European Union—I think that all sectors must have access to the customs union and that special deals for particular sectors are not acceptable.

I will probably vote for the Government motion tonight, but I make clear the terms on which I will do so: membership of the single market is desirable and access to it is essential, but we are at the early stages of a discussion that I want to see through to its end. I want the Scottish Government to continue discussions. I can support some of its plan, but that does not imply that I support a second referendum if its approach fails—I want to make that clear before I vote. We have a long way to go and we must work our way

through the process, paying attention to every dot and every detail.

16:19

**Tom Arthur (Renfrewshire South) (SNP):** As much as I expected the contents of the Prime Minister's speech, it was still a bit of a punch in the guts. I had held out hope that the Prime Minister would listen to the entreaties of the Scottish Government and others, see common sense and say that we would seek to preserve the UK's place in the single market. That was not to be.

I hoped that, in this debate, we would see a different approach from those on the Conservative benches—one that recognised their responsibility to the people of Scotland and not simply their responsibility to the interests of the city of London or other interests outwith this country. However, their approach is very disappointing because, although I know that there are many reasonable members on the Conservative benches who campaigned to remain, who still believe that we should be part of the European Union and who know in their hearts that that is the right thing to do, they are not willing to say it; rather, we have a sell-out.

Only in June, the leader of the Conservative Party in Scotland stood in the chamber and said that retaining our place in the single market was a priority. That was after the referendum. It was a clear statement of principle, but the Conservatives have reneged on it. Further, the UK Tory manifesto in 2015 spoke about membership of the single market, and numerous Conservative front benchers here and members of the UK Government spoke of the catastrophic effects of withdrawal from the European Union and the single market. Now, when they have an opportunity to speak up for their constituents, do they take it? No.

It is worth remembering how the Scottish Parliament came about. For many people, it was inspired by the experience of living through 18 years of remote Conservative government from London. In that situation, we were helpless and had no opportunity to speak for ourselves. That was the bitter experience of my constituents in Linwood. Everyone in the Parliament has a fundamental duty to speak up for Scotland's interests, as that was the vision for this place. Many people, including many in the Labour Party, campaigned for the Parliament so that never again would the Scottish nation be subject to a Tory Government that was not elected here taking economically and socially catastrophic decisions.

Therefore, when the Parliament speaks up on Brexit and advocates a positive solution for Scotland, and when the Scottish Government puts



forward proposals, members not just are perfectly entitled but are duty-bound to speak up. That is why it really is disheartening when members of the Conservative Party come here and complain that we are debating Brexit.

I will touch on a few of the Conservative responses and contributions to the debate.

We are at a crucial moment in our history. This is a time for inspired leadership and vision. As we approach inauguration day in the US for President-elect Trump on Friday, I have been reflecting on what leadership is. I recalled the words of John F Kennedy when he spoke at Rice University in 1962 and set the target of reaching the moon. He said:

“We choose to go to the moon ... and do the other things, not because they are easy, but because they are hard; because that goal will serve to organize and measure the best of our energies and skills, because that challenge is one that we are willing to accept, one we are unwilling to postpone, and one we intend to win”.

Then I listened to the members on the Conservative benches today and heard girning and whining and members saying, “We cannae dae it—it’s too difficult and hard.”

**Dean Lockhart:** Will the member give way?

**Tom Arthur:** I am sorry, but I am pressed for time; otherwise, I would take an intervention.

That is not what we need. It was an effete, insipid, uninspired and supine performance. It was a complete betrayal. The constituents of many Conservative members voted overwhelmingly for remain, but they are now being betrayed.

**Dean Lockhart:** It is called democracy.

**Tom Arthur:** Pardon?

**Dean Lockhart:** Democracy.

**Tom Arthur:** Well, I have a conception of democracy, which is Scottish democracy, and the people of Scotland voted overwhelmingly to remain in the European Union.

**Oliver Mundell:** Will the member take an intervention?

**Tom Arthur:** I do not have much more time, but I will say one thing. Mr Mundell accused me and my colleagues of being left-wing and separatists. To the first charge, I plead guilty, but the only separatists in this chamber are those sitting around Mr Mundell and other members of his party. Theirs is the party that wants to make firms say how many European workers they have, that wants to put a levy on companies that have European workers and that will not give security to or guarantee the status of European citizens. They are the real separatists.

16:24

**Willie Rennie:** I was quite attracted to two contributions in particular. One was from Graeme Dey, who talked about the insecurity that fruit workers in his constituency feel. I, too, have many agricultural workers in my constituency of North East Fife, many of whom feel equally insecure because of the Conservative Government’s inability to guarantee their future in this country. The second contribution was from Richard Lochhead, who talked about the real, direct economic impact on people’s lives—from the value of the pound, inflation, jobs and security.

This is all about people’s lives. We can say that, on 23 June, we voted to leave the European Union, but that ignores the impact on people’s lives; it ignores the fact that our lives and communities are now intertwined with those of individual citizens from other members of the European Union and that theirs are intertwined with ours. Those lives will not be easily undone and those connections will not be easily broken. The Conservatives lecture everybody about being concerned about the future economic conditions in this country, but they fail to recognise the direct impact on individual people’s lives. Brexit will not be as easy as they paint it; it will be much more difficult.

One Conservative member after another made the directly opposite speech from the ones that they made only a few months ago. I made a comment earlier about adopting Nigel Farage’s language. Today, he has tweeted, commending Theresa May for adopting the language that he has been using over the past 10 years but for which he was ridiculed. The Conservatives have adopted that isolationist approach lock, stock and barrel, which is disappointing for a party that claims to be in favour of the economy and jobs for our country.

I was also amused by Oliver Mundell condemning the SNP for fixating on a single issue. The single issue on which the Conservatives have been fixating over the past 10 years is the European Union, and look at where that has got us. It poses great risks to our economy.

There was much promise for the debate and the build-up was tantalising. Over the weekend, the two Anguses—Angus MacNeil and Angus Robertson—were banging their fists on the table through Twitter. Angus Robertson, the deputy leader of the SNP no less, said:

“Scotland didn’t vote Tory or for hard Tory Brexit. Single European market option now being blocked by Tories. Scotland will not accept this.”

Then, Angus MacNeil intervened with #MaterialChangeMandate—which is not exactly going viral—and said:

“we need a 2nd independence referendum”.

There was great promise that this would be the day when the SNP was tipped over the edge and we would get a second independence referendum. Alas, all that we get is promises that we will get that referendum. The SNP never bites the bullet.

We need a real focus on the big, monumental decision that has been imposed on our country. Pauline McNeill was right that it is probably the biggest decision in our lifetimes. It is not the time for micromanagement; it is the time for big, bold solutions. That is why we have said that there should be a Brexit deal referendum. If the Conservatives are so confident that the deal that they will be able to negotiate will be so brilliant for Britain, why not put it before the British people so that they can have the final sign-off? Why are they keeping it within the Conservative Party rather than engaging with the country? If they are so confident about that monumental decision—as I have said, it is one of the biggest decisions since the Iraq war or Suez—and that the solution that they will provide will be so good for our country, they should put it to the British people in a vote.

**Oliver Mundell:** Is Willie Rennie not reassured by Theresa May’s commitment that the proposals will go before the UK Parliament?

**Willie Rennie:** No, not at all—far from it. The UK Parliament is packed full of Conservative MPs who will tell the Prime Minister exactly what she wants to hear. If the Conservatives are so confident, they should put the matter before the British people and let them have the final say.

**Oliver Mundell** *rose—*

**Willie Rennie:** Oliver Mundell has had his say.

I want to deal with a couple of aspects of the SNP paper that was published before Christmas. In a pretty good contribution, Ash Denham acknowledged the practical and technical difficulties of having a differentiated deal, and I agree with her. All we have to do is to look at paragraphs 153 to 155 on page 35 of “Scotland’s Place in Europe”, which describe imports from the European single market. If those three paragraphs are not enough to put people off any differentiated deal, I do not know what is. The matter is very complex. I do not understand it, and I am sure that most people do not understand what the document means about that. Certainly, it will not be good for business. That alone probably condemns the document and our future.

**Fiona Hyslop:** Will the member give way?

**Willie Rennie:** No. I am in my final minute; I am sorry.

There have been some brilliant contributions; Tom Arthur’s contribution, for example, was

excellent. If the SNP is so much in favour of the European Union, why does it not get behind the campaign for a Brexit deal referendum, which has the momentum? We won against the Conservatives in Richmond and we are winning by-elections throughout the country because people do not want a hard Brexit. We have the momentum. I urge the SNP to come behind us so that we can win the campaign.

16:32

**Daniel Johnson (Edinburgh Southern) (Lab):**

The debate has been important and at times highly charged. The reasons for that are very clear, as the stakes are incredibly high. However, one thing that all sides need to be mindful of is clear: globalisation is with us. It is embedded in the way in which our economy works and operates. We cannot hide from it or control it, and we cannot alter any of the elements in isolation. I say that to both sides. We cannot put the world on hold while we negotiate trade deals, and we cannot wait to come up with hypothetical scenarios that will never come to pass or ever be realistic.

**Stewart Stevenson:** Will the member take an intervention?

**Daniel Johnson:** I am in my first minute. If Stewart Stevenson does not mind, I will make some progress first. Maybe I will take an intervention later.

Pauline McNeill put very well the quandary that faces us with Brexit. She described the issues that the EU presents to us, but she said that ultimately, because of the protections that it provides and the benefits of wider trade, she lent her vote to the remain side.

As we look forward, it is important that we try to retain access to the single market. More broadly, the terms of the debate have been instructive. People have emphasised the importance of retaining access and benefits. The EU gives us admission to the globalised economy and it has done so while it has protected workers’ rights and put in place social protections. That means that we are not part of a race to the bottom. When we look to a future deal and our options, we must seek to keep in place those elements of our trade and our relationship with Europe.

The debate is taking place in the context of new revelations. The Scottish Government’s paper before Christmas on options was helpful and useful for exploring and expanding the space for operating, but it is clear that the UK Government’s comments today are highly important. A number of members have made the point that the UK Government has provided clarity through what was perhaps a fog before. Pauline McNeill pointed

to that, as did Oliver Mundell. The points on the customs union are helpful; there has been some concession on that. Although we might not like the ruling out of single market membership, it at least provides us with a degree of clarity. It is important to recognise that Theresa May set out the importance of maintaining trade that is as free as possible.

The transitional arrangements are perhaps the most important issue. Theresa May now concedes that they are important, which gives us the opportunity to explore the options in full.

A number of speakers, including Willie Rennie, Graeme Dey and Clare Adamson, highlighted the personal aspect of Brexit. The reality of Brexit is very much human in two key ways. The first is in the anxieties that it has elicited in people—as we progress through the process, it is important to provide as much clarity as we can to people—and the second relates to labour requirements.

We need Europe to provide workers in key sectors across the board. Agriculture has been mentioned, but I highlight financial services, because they highlight the complexity of the process. The financial services sector is massively important to the UK and to Scotland. It represents about 7 per cent of GDP for both the UK and Scotland, and 1 million people are employed across the UK in the sector, with another 1 million in supporting functions. Scotland has broadly the same share of that employment, with 100,000 or so people employed in the sector and a further 100,000 in supporting functions.

The sector generates a £70 billion trade surplus at a time when the UK trade deficit is £5 billion. That is how important it is. However, it relies utterly on passporting rights, because passporting allows financial institutions in this country to sell to other parts of the EU without restriction and without impediment. To be frank, equivalence simply does not provide the same level of access and certainly will not provide access to retail financial services, which will be damaging. There might not be a big bang, but there certainly might be a slow fizzle.

**Stewart Stevenson:** I draw members' attention to my ownership of shares in Lloyds Bank. The member refers to the international financial system and previously referred to globalisation. Does he accept that the UK—and in particular Scotland—would be a very good place for an ethical banking centre if we were able to deal with the secrecy over ownership and money transmission that contaminates so much of the global economy?

**Daniel Johnson:** I thank the member for that point and I agree with much of it, but I would not lay that problem so much on the EU—I think that the EU has done a good deal to open up

transparency. The UK Government needs to address the issue, but that may be a point for another day.

The Scottish Government's motion is helpful. It maintains the importance of exploring options but also makes clear Scotland's reliance on being part of the wider UK for trade. I think that "Scotland's Place in Europe" makes that explicitly clear in paragraph 95, and I urge the Scottish Government to follow through on the sentiment that is expressed in that paragraph, which explains that the Scottish Government seeks to work with the UK Government and maintain the UK single market.

The emphasis on options is important. We must not have a binary choice between either the UK or the EU; the situation cannot be cast as crudely as that. I appreciate the number of options, and Ash Denham and Ivan McKee did a good job of explaining what some of them might be.

There are interesting options to be looked at in relation to EFTA, but they are not without complications. EFTA does not permit sub-states to join and some of the examples that have been given, such as that of the Faroe Islands, are highly complicated. I understand that the Danish Government rejected that option on the basis that it could not expand the Danish Crown to encompass the Faroe option. Indeed, I could not find the Faroese options paper on the internet when I looked for it.

I will talk briefly about deals. Many Conservatives seem to treat deals as if they will happen instantly or quickly or as if they are equivalent to being in the EU. That cannot be the case, given the size and scale of EU trade. Who would be holding the key cards? How quickly would deals happen? We all know the controversies around the transatlantic trade and investment partnership and the erosion of social guarantees that that potentially entailed. If that was going to be controversial, how can we even hope to guarantee social protections when we would clearly be at such a disadvantage in the negotiations?

We must explore all options but we must be realistic. We must seek to influence the UK Government and we must be mindful of the protection of jobs. That is why we will be voting for the Government motion, but we are mindful of the red line that we must protect our position in the UK before seeking false and unrealistic options within the EU.

16:39

**Adam Tomkins (Glasgow) (Con):** In one of our very many debates on the subject, on 14 September last year, we Conservatives sought to

make three points, all of which were exemplified or repeated by the Prime Minister earlier today.

The first point that we made was that the debate cannot sensibly be reduced to a binary divide between hard Brexit and soft Brexit. It is not a binary divide; it is, inevitably, going to be messier than that. There are those who are calling for a clean Brexit, but I do not think that it will be particularly clean, either. Our relationship with the European Union is not clean now—we are in the European Union but out of the Schengen area, and we have not adopted the European Union's currency. Our relationship with the European Union is and always has been complex, and Brexit is also going to be complex—not hard, not soft, but complex.

The Prime Minister helpfully began to break that idea down when she talked today about the customs union. We are not going to be in or out of the customs union. The customs union is composed of various components such as the common commercial policy, the common external tariff and a customs agreement with the rest of the European Union. In the national economic interest, those different components might require different answers.

**Ivan McKee:** Will the member give way?

**Adam Tomkins:** Not at the moment.

The second point that we sought to make on 14 September and which bears repetition today was that EEA membership is incompatible with the referendum result.

**Dr Allan:** Will the member take an intervention?

**Adam Tomkins:** Not at the moment, minister.

EEA membership, which would be the softest of all soft forms of Brexit, would require the United Kingdom to continue the free movement of labour—as was made clear by Clare Adamson in response to my intervention—and not take back control of our borders. It would require the United Kingdom to submit to the full jurisdiction of the European Court of Justice and not take back control of our national legislation and the sovereignty of our laws. It would also require a continued financial contribution to the European institutions, not taking back control of our national finances.

As the Prime Minister stressed in her speech, none of that means that we do not want the fullest access to the single market. She said that we seek the greatest possible access to the EU single market through a new, comprehensive, bold and ambitious free trade agreement.

**Richard Lochhead:** Will the member give way?

**Adam Tomkins:** Let me finish the point, then I will happily give way.

We want the freest possible trade in goods and services between Britain and the EU member states. The Prime Minister's remarks echo something that Mike Russell himself said on two occasions last month, in a quotation that we have not heard SNP members reflect on in the debate. He said:

“in the strictest sense, membership is only possible if you are a member of the EU.”

Mr Russell is right about that. He has also said that the Scottish Government's strategic objective is not membership of the single market but “involvement in” the single market. Those are his words, not mine, and they are exactly the words that the Prime Minister used today. If we could hear a bit more about what the Scottish Government and the UK Government have in common in pursuit of their Brexit agendas and a bit less about what differentiates them, that might profit us all.

**Richard Lochhead:** In July, the Scottish Conservative Party leader said:

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

Is that still the Scottish Conservatives' position? If it is, will they get behind the Scottish Government's efforts to deliver that?

**Adam Tomkins:** The Scottish Conservatives' position now is exactly what it was when I articulated it from these benches on 14 September 2016. That is the point that I was making—if the member cared to listen. We want the same as the Prime Minister wants, which is apparently the same as Mike Russell wants. We recognise that membership of the single market requires membership of the European Union, and what we are in pursuit of is the greatest possible involvement in, access to and participation in the single market. That position has been perfectly consistent on these benches for months, despite all the protestations to the contrary from SNP members.

I turn to the paper that the Scottish Government published last month. I said on the day that it was published that it is a thoughtful document that deserves to be taken seriously. However, having now read it twice, I am not so sure that it deserves to be taken quite as seriously as I thought.

There are three problems with the Scottish Government's document. The first is the problem with EEA membership, which Ash Denham referred to. Only three years ago, the Scottish Government said:

“The argument that membership of the EEA is desirable because it allows members to gain access to the Single Market but without having to adopt all of the regulations that full EU membership requires is simply wrong.”

Those are not my words but the Scottish Government's words, in a document that was endorsed by the then Deputy First Minister, now the First Minister, Nicola Sturgeon.

**Ash Denham:** Will the member give way?

**Adam Tomkins:** Not at the moment.

The odd thing about the Scottish Government's pursuit of the EEA option is that it fails to meet Nicola Sturgeon's own test—that, in Ash Denham's words this afternoon, Scotland's voice must be heard. The whole point of EEA membership is that a country's voice is not heard in the making of the very laws that apply to it.

Having invited a response from Ash Denham, I am happy to give way to her.

**Ash Denham:** Thank you for giving way; I appreciate it. We are told that Ruth Davidson said today that

"many of the nationalists' requests had been recognised by the UK Government".

Will Adam Tomkins outline for us what those concessions from the UK Government will be?

**Adam Tomkins:** Absolutely. Among the things that you—I am sorry; I mean the SNP—have been calling for during the past seven months is the protection of workers' rights. What did the Prime Minister say about that today? She said:

"as we translate the body of European law into our domestic regulations, we will ensure that workers' rights are fully protected and maintained."

There is an example of exactly what the SNP has been calling for, which was said by the Prime Minister just today.

The second problem with the paper that the Scottish Government published in December concerns the issue with the differentiated deal. The really odd thing about the SNP's paper, as a nationalist document, is that it fails to identify Scottish economic interests that are different from economic interests elsewhere in the United Kingdom. The interests of Perthshire hill farmers are the same as the interests of hill farmers in Snowdonia or Yorkshire. The interests of our financial services industries in Glasgow and Edinburgh—Tom Arthur and others might want to deny the importance of financial services to the Scottish economy, but they are wrong to do so—are the same as the interests of the financial services industry in London. The interests of universities and higher education institutions such as the University of St Andrews and the University of Aberdeen are the same as those of the universities in Oxford and Manchester.

**Gillian Martin:** Will the member take an intervention on that point?

**Adam Tomkins:** Not at the moment.

I am all in favour of differentiated deals, but they should be differentiated sector by sector and not nation by nation. Why? Because it is in the national economic interest to negotiate sector by sector, and the great omission from the Scottish Government's document comes from its failure to identify why, or even how, Scotland's economic interests are different from those of any other part of the United Kingdom.

The third problem with the Scottish Government's paper, thoughtful and deserving of being taken seriously though it is, concerns what it has to say about further devolution to Scotland. When I read that section of the paper, I had a terrible case of *déjà vu*, because it has been copied and pasted from the SNP's failed and rejected submission to the Smith commission a few years ago. That is devolution that is designed not to strengthen the United Kingdom but to break up the UK's domestic market. That is why it is so important that the Prime Minister said in her speech that, as we go forward with our Brexit negotiations,

"our guiding principle must be to ensure that ... no new barriers"

are created between Scotland and the rest of the UK in living or doing business here. At the same time, there will be no re-reservations to Westminster. It does not follow that all the powers that will be repatriated from Brussels to the UK will be held by Westminster and Whitehall; some of them will be devolved to Scotland, Wales and Northern Ireland.

For all those reasons, I support the amendment in Dean Lockhart's name.

16:49

**The Cabinet Secretary for Economy, Jobs and Fair Work (Keith Brown):** First, I thank members for their contributions during this important debate. Some of those contributions—from Clare Adamson, Pauline McNeill, Tom Arthur, Lewis Macdonald and Ivan McKee—certainly caught my eye. I did not agree with all that Daniel Johnson said, but he made a thoughtful speech, in particular about the extent to which we are able to influence globalisation, although that is perhaps a subject for another day.

On 23 June, Scotland voted emphatically to remain in the European Union while England and Wales voted to leave. I accept the point made by a number of Conservative members that 38 per cent of people in Scotland did not vote that way, and I recognise and respect their choice. I only wish that the Conservatives could show a smidgen of respect for the 62 per cent who voted to remain in the EU, as that respect has been missing in the

chamber today. We face a situation that we have not seen before, with EU citizens in a strongly pro-European nation being taken out of the EU against their will.

Since the vote on 23 June, the Brexit process at Westminster has been taken over by the right wing of the Tory party; a number of members mentioned that. That has led to the Prime Minister's confirmation that she wants not just to leave the EU, but to have the hardest of hard Brexits.

There will be many Tories at Westminster who now believe that they can do anything to Scotland and get away with it. It is up to us in this chamber today—we speak for Scottish interests—to make it clear that they cannot. Tom Arthur made that point. In these circumstances, the Scottish Government and the Scottish Parliament are determined to show leadership and to protect our vital national interests. We have sought to build consensus around maintaining Scotland's and the UK's places in the single market.

**Adam Tomkins:** Can the minister explain how

“the freest possible trade in goods and services between Britain and the EU”

is a definition of the “hardest of hard Brexits”? That is what the Prime Minister said this morning, rather than the fiction of the minister's imagination. Those are her words—how is that a hard Brexit?

**Keith Brown:** That bold assertion to free trade is assumed to be after we have exited the European Union and the single market. That is the Brexit that I am talking about—it is a hard Brexit, not one with a transition or one in which we try to keep some of the elements that are very beneficial to Scotland. It is not just the SNP that is saying that—look at individual commentators, who all tell us that it is a hard Brexit. Are all the TV and newspaper columnists lying about that? I do not think that they are. They have the same understanding that I have: the Tories are after a hard Brexit.

After the EU referendum, Ruth Davidson said:

“Retaining our place in the single market should be the overriding priority.”—[*Official Report*, 30 June 2016; c 24.]

Why did no Tory member today mention their leader's words? She called on the Scottish Government to protect our place in the single market.

It is time for the Tories to demonstrate that they will put the overriding priority for Scotland ahead of the priority of the right wing of the Tory party. By contrast, the Scottish Government will set out constructive proposals in line with our commitment to explore all options to protect Scotland's interests. Adam Tomkins fairly said that the document that we have produced is not an overtly

nationalistic document—those were his words, more or less. Of course it is not nationalistic, because—as the First Minister said—we have sought to reach compromise through the proposals that we have put forward. The Scottish Government will continue to show a willingness to compromise—if only Theresa May sought to reach compromise, too.

In my office last week, I was visited by a woman who has lived in Scotland for 17 years. She has been married to a Scottish person and she has three children. She was in tears for the entire time that she was in my office, because she thought that either she would have to find the money to take out UK citizenship—and pass the test—or she would have to leave the country. I am not saying that that would necessarily happen, but that was her level of fear. It is appalling that Theresa May gave no comfort today to the EU nationals who are wondering about their future in this country.

It is extremely important that the UK Government respects the legitimate expectation of those who have exercised their treaty rights and chosen to make a life in Scotland. We have continually sought guarantees from the UK Government on the immigration status and rights of all EU nationals who currently reside in Scotland and we do so again today.

The Prime Minister pledged that the Scottish Government will be involved in the development of the UK-wide position. She said that the Scottish Government's proposals should be given proper consideration, but we have not yet seen evidence that Scotland's voice is being listened to or that our interests are being taken into account. That must change.

Our proposals include our firm view—consistently expressed—that any outcome must include retaining membership of the single market in all its aspects, which Ruth Davidson supported after the referendum decision. We should also support the free movement of people, protection of rights and close co-operation with EU partners on, for example, justice and research.

The Scottish Government greatly values the contribution that non-UK EU nationals bring to our economy and society, and the benefits of the freedom of movement that is enjoyed by our own citizens. Non-UK EU nationals are an important part of Scotland's future in contributing to sustainable economic growth, mitigating the effects of demographic change and enriching our culture and communities.

Just as the UK plans to take account of the particular circumstances of Northern Ireland—we heard about that in the Prime Minister's speech—and of Gibraltar, it should do the same for

Scotland. Differentiated approaches, as we have heard from a number of speakers, are not unprecedented for the EU. Our aim is to be more fully integrated with the EU rather than, as in most other cases of special arrangements, the reverse.

**Dean Lockhart:** Does the cabinet secretary recognise that a number of his colleagues could justify the differentiated approach that is set out in “Scotland’s Place in Europe” only by reference to the position of the Faroe Islands, the Channel Islands and Liechtenstein? Is that the limit of the SNP’s ambitions for Scotland? Is that being stronger for Scotland? The head of the EFTA commission and Norway have said that the Scottish Government’s position is not acceptable.

**Keith Brown:** None of the members who mentioned those examples—and there were other examples, such as the Isle of Man—drew analogies between Scotland and those areas; rather, they pointed out that differentiated approaches had been agreed and that they currently exist. Therefore, it is possible to achieve a differentiated approach.

Significant challenges, which we do not underestimate, are associated with the options. However, our document sets out the basis on which each challenge of a differentiated approach could be overcome, if the political will exists to do so.

We have a different proposition from the UK Tory Government. Richard Lochhead and Pauline McNeill both mentioned that the Prime Minister said today that

“there are two ways of dealing with”

differences;

“You can respond by trying to hold things together by force, tightening a vice-like grip that ends up crushing into tiny pieces the very things you want to protect. Or you can respect difference, cherish it even”.

The Prime Minister said that we should cherish difference. Surely, if she is to cherish difference, she must at least acknowledge the different approach of the 62 per cent of the people in Scotland who voted to remain in the EU and the views properly expressed through this Parliament and this Government on the settlement. We have seen no such thing from the Conservatives in the chamber this afternoon.

Scotland voted differently. I, for one, cherish that difference. Instead, the Tories here have been parroting Tories in the UK Government. They always say that we must work together, by which they mean that we must do as we are told by the UK Government. We will not do that; we are here to represent the people of Scotland.

A picture emerges from what the Prime Minister said of the hard Brexit beloved of Nigel Farage

and now wholly embraced by the Tories in this chamber, like new believers. Part of that picture is a specific contempt that has been enunciated here today by the Scots Tories, as well as by UK ministers. That contempt leads them to ignore, to deride, to attack and to frustrate any expression of Scotland’s aspirations.

We thought that the apogee of right-wing Toryism was in the 1980s and 1990s, but the group of right-wing wannabe UKIPers that we have in this Parliament is reaching far beyond even Margaret Thatcher. According to the Tories themselves, Margaret Thatcher was the champion—if not the architect—of the single market. We are seeing a completely new breed of Conservatives. They are not just new in the sense that they have just come to the Parliament, but they have changed since coming to the Parliament.

Like Ruth Davidson, they demanded that the Scottish Government protect Scotland’s place in the single market. Now—to a person—each one of them is opposed to that, apparently. That cannot be through conviction; it must be through expediency.

**Dean Lockhart:** The cabinet secretary mentioned UKIPers. Does that mean that the 400,000 SNP supporters who voted to leave are also UKIPers?

**Keith Brown:** I have acknowledged the fact that 38 per cent of people in Scotland did not vote to remain. Will Dean Lockhart please—for once—acknowledge that 62 per cent of people in Scotland chose to remain? Will he show some respect for that position?

It is true to say that the potential for new market opportunities is difficult to understand.

“What I do not understand ... is which country in the world is going to enter into a trade agreement”—

with the UK, where—

“the rules are entirely what the British say they’re going to be ... and if there’s any dispute about the rules it’s going to be sorted out by the British Government.”

Those are the words of the former Tory cabinet minister, Ken Clarke. He does not understand how the Tories will achieve free-trade agreements. We, as a Government, by contrast, have been clear about the benefits that we receive from EU membership and about the prosperity and the economic opportunities that membership of the single market brings to our nation, as well as the social protections that it brings to our workers, the human rights that it affords our people and the important standards that protect our environment and keep our food and consumer goods safe, not forgetting our water quality and infrastructure.

We are also a nation that believes strongly in European solidarity, so that we can—together—tackle today's global challenges, such as climate change, terrorism and the refugee crisis.

The Scottish Government is determined to find solutions that will respect the voice and protect the interests of Scotland and ensure that the values of European solidarity, co-operation and democracy prevail. EU membership is part of Scotland's sense of itself. It is about the contribution that EU citizens make to Scotland and the contribution that the people of Scotland are making throughout the EU. It is about the idea that strong, independent nations can come together for the common good. *[Laughter.]*

It is interesting that the Conservatives are laughing, because I lost count when I got to 16 mentions of independence by Conservative members during today's debate—there were six by Liberal Democrats. Only one group of people in this Parliament is obsessed by independence.

This debate is at the heart of the kind of country that we want to be. It cannot be the vision of those on the right of the Tory party—the new UKIPers—who favour a low-wage, deregulated economy in which companies are forced to compile lists of foreign workers or, according to one proposal, to be charged £1,000 if they want to employ an EU foreign national. Is that not a barrier to trade? Is that not a barrier to free movement of people? Is that not contempt for the rights of people? I think that it is, but it seems that the Tories now believe that they can do anything to Scotland that they like, no matter how damaging, and they believe that they can get away with it. Our position—the position of the Scottish Government—is that it is time that we made clear that they will not get away with it.

I ask members to support the Scottish Government's motion.

## Standards Commission for Scotland (Appointment of Members)

**The Presiding Officer (Ken Macintosh):** The next item of business is consideration of motion S5M-03375, in the name of Liam McArthur, on the appointment of members of the Standards Commission for Scotland. I call Liam McArthur to speak to and move the motion on behalf of the Scottish Parliamentary Corporate Body.

17:01

**Liam McArthur (Orkney Islands) (LD):** I speak to the motion in my name, on behalf of the SPCB appointment panel, to invite members of Parliament to agree to the appointment of Michael McCormick and Tricia Stewart as members of the Standards Commission for Scotland.

Under the Ethical Standards in Public Life etc (Scotland) Act 2000, members of the commission are appointed by the SPCB with the agreement of Parliament. The role of the Standards Commission for Scotland is to encourage high ethical standards in public life, and it does that by promoting and enforcing the codes of conduct for councillors and members of devolved public bodies.

The SPCB sat as a selection panel on 12 December 2016. I chaired the panel alongside Gordon MacDonald and David Stewart. On behalf of the SPCB, I thank Louise Rose, the independent assessor who oversaw the process and who has confirmed, by way of a validation certificate, that the appointment process conformed to good practice and that the nominations are made on merit after a fair, open and transparent process.

From a very strong field of candidates, we seek the agreement of the Parliament to appoint Michael McCormick and Tricia Stewart as members of the Standards Commission for Scotland. I also thank, on behalf of the SPCB, the outgoing members, Ian Gordon and Matt Smith, for their services to the commission and wish them well for the future.

Turning to the candidates, we believe that Michael McCormick and Tricia Stewart will bring to the Standards Commission for Scotland high levels of integrity and discretion and a strong commitment to encouraging and promoting high ethical standards in public life.

I am sure that the Parliament will want to wish Michael McCormick and Tricia Stewart every success in their new roles.



I move,

That the Parliament agrees, under section 8 of the Ethical Standards in Public Life etc. (Scotland) Act 2000, to the appointment of Michael McCormick and Tricia Stewart as Members of the Standards Commission for Scotland.

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

## Decision Time

17:03

**The Presiding Officer (Ken Macintosh):** There are five questions to be put as a result of today's business. I remind members that, if the amendment in the name of Dean Lockhart is agreed, the amendment in the name of Willie Rennie falls.

The first question is, that amendment S5M-03427.3, in the name of Dean Lockhart, which seeks to amend motion S5M-03427, in the name of Michael Russell, on protecting Scotland's interests in negotiating our future relationship with Europe, be agreed to. Are we agreed?

**Members:** No.

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

### For

Balfour, Jeremy (Lothian) (Con)  
 Bowman, Bill (North East Scotland) (Con)  
 Briggs, Miles (Lothian) (Con)  
 Burnett, Alexander (Aberdeenshire West) (Con)  
 Cameron, Donald (Highlands and Islands) (Con)  
 Carlaw, Jackson (Eastwood) (Con)  
 Carson, Finlay (Galloway and West Dumfries) (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, Dr Alasdair (Na h-Eileanan an Iar) (SNP)  
 Arthur, Tom (Renfrewshire South) (SNP)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Claire (Mid Scotland and Fife) (Lab)  
 Beamish, Claudia (South Scotland) (Lab)  
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)  
 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)  
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (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)  
 Evans, Mairi (Angus North and Mearns) (SNP)  
 Ewing, Annabelle (Cowdenbeath) (SNP)  
 Ewing, Fergus (Inverness and Nairn) (SNP)  
 Fabiani, Linda (East Kilbride) (SNP)  
 Fee, Mary (West Scotland) (Lab)  
 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)  
 Greer, Ross (West Scotland) (Green)  
 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)  
 Marra, Jenny (North East Scotland) (Lab)  
 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)  
 Rumbles, Mike (North East Scotland) (LD)  
 Ruskell, Mark (Mid Scotland and Fife) (Green)  
 Sarwar, Anas (Glasgow) (Lab)  
 Scott, Tavish (Shetland Islands) (LD)  
 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)  
 Todd, Maree (Highlands and Islands) (SNP)  
 Torrance, David (Kirkcaldy) (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 31, Against 91, Abstentions 0.

*Amendment disagreed to.*

**The Presiding Officer:** The next question is, that amendment S5M-03427.1, in the name of Lewis Macdonald, which seeks to amend motion S5M-03427, in the name of Michael Russell, on protecting Scotland's interests in negotiating our future relationship with Europe, be agreed to.

*Amendment agreed to.*

**The Presiding Officer:** The next question is, that amendment S5M-03427.2, in the name of Willie Rennie, which seeks to amend motion S5M-03427, in the name of Michael Russell, 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)  
 Rumbles, Mike (North East Scotland) (LD)  
 Scott, Tavish (Shetland Islands) (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)  
 Beamish, Claudia (South Scotland) (Lab)  
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)  
 Bowman, Bill (North East Scotland) (Con)  
 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)  
 Carson, Finlay (Galloway and West Dumfries) (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)  
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (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)  
 Evans, Mairi (Angus North and Mearns) (SNP)  
 Ewing, Annabelle (Cowdenbeath) (SNP)  
 Ewing, Fergus (Inverness and Nairn) (SNP)  
 Fabiani, Linda (East Kilbride) (SNP)  
 Fee, Mary (West Scotland) (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)  
 Greer, Ross (West Scotland) (Green)  
 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)  
 Marra, Jenny (North East Scotland) (Lab)  
 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)  
 Ruskell, Mark (Mid Scotland and Fife) (Green)  
 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)  
 Thomson, Ross (North East Scotland) (Con)  
 Todd, Maree (Highlands and Islands) (SNP)  
 Tomkins, Adam (Glasgow) (Con)  
 Torrance, David (Kirkcaldy) (SNP)  
 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 5, Against 117, Abstentions 0.

*Amendment disagreed to.*

**The Presiding Officer:** The next question is, that motion S5M-03427, in the name of Michael Russell, on protecting Scotland's interests and negotiating our future relationship with Europe, as amended, 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)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Claire (Mid Scotland and Fife) (Lab)  
 Beamish, Claudia (South Scotland) (Lab)  
 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)  
 Cunningham, Roseanna (Perthshire South and Kinrossshire) (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)  
 Evans, Mairi (Angus North and Mearns) (SNP)  
 Ewing, Annabelle (Cowdenbeath) (SNP)  
 Ewing, Fergus (Inverness and Nairn) (SNP)  
 Fabiani, Linda (East Kilbride) (SNP)  
 Fee, Mary (West Scotland) (Lab)  
 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)  
 Greer, Ross (West Scotland) (Green)  
 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)  
 Marra, Jenny (North East Scotland) (Lab)  
 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)  
 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)  
 Rowley, Alex (Mid Scotland and Fife) (Lab)  
 Ruskell, Mark (Mid Scotland and Fife) (Green)  
 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)  
 Todd, Maree (Highlands and Islands) (SNP)  
 Torrance, David (Kirkcaldy) (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)  
 Bowman, Bill (North East Scotland) (Con)  
 Briggs, Miles (Lothian) (Con)  
 Burnett, Alexander (Aberdeenshire West) (Con)  
 Cameron, Donald (Highlands and Islands) (Con)  
 Carlaw, Jackson (Eastwood) (Con)  
 Carson, Finlay (Galloway and West Dumfries) (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)  
 Rumbles, Mike (North East Scotland) (LD)  
 Scott, John (Ayr) (Con)  
 Scott, Tavish (Shetland Islands) (LD)  
 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)

**The Presiding Officer:** The result of the division is: For 86, Against 36, Abstentions 0.

#### *Motion, as amended, agreed to,*

That the Parliament notes the publication on 20 December 2016 by the Scottish Government of *Scotland's Place in Europe*, setting out options for the future of the UK and Scotland's relationship with Europe; understands the detrimental social and economic impact on Scotland and the UK of losing their current place in the European single market; welcomes the options set out in the paper, including on free movement of workers; agrees that the UK as a whole should retain its place in the single market, ensuring rights not just for business but for citizens, and that, in the event that the UK opts to leave the single market, alternative approaches within the UK should be sought that would enable Scotland to retain its place within the single market and the devolution of necessary powers to the Scottish Parliament; agrees that further devolution to the Scottish Parliament is required to mitigate the impact of the UK's decision to leave the EU, and endorses the Scottish Government discussing these proposals with the UK Government in order to secure the protection of Scotland's interests as part of the Article 50 process, and calls on the Scottish Government to further engage with the UK Government on arrangements that might apply after the invocation of Article 50, with a view to maintaining as many as possible of the benefits of the UK's relationship with Europe in any transitional period.

**The Presiding Officer:** The next question is, that motion S5M-03375, in the name of Liam McArthur, on behalf of the Scottish Parliamentary Corporate Body, be agreed to.

#### *Motion agreed to,*

That the Parliament agrees, under section 8 of the Ethical Standards in Public Life etc. (Scotland) Act 2000, to the appointment of Michael McCormick and Tricia Stewart as Members of the Standards Commission for Scotland.

## Fishing

**The Deputy Presiding Officer (Christine Grahame):** The final item of business is a members' business debate on motion S5M-02438, in the name of Stewart Stevenson, on the sea of opportunity campaign. The debate will be concluded without any question being put.

### *Motion debated,*

That the Parliament commends the Scottish Fishermen's Federation's (SFF) A Sea of Opportunity campaign; considers that full control over fishing in the offshore economic zone represents an opportunity to reinvigorate coastal communities; recognises that appropriate conservation measures must also be in place for all fishing activity; welcomes indications that arrangements for ownership and exploitation of existing quota will not be changed to adversely affect existing investments in them; believes that the ownership structures and economic benefits derived from new quota arising from full control of the offshore economic zone must be of value to adjacent communities, and notes calls on all political parties to consider whether they can agree with the SFF that UK fishing interests can best be protected in upcoming negotiations by the lead minister being from Scotland.

17:08

**Stewart Stevenson (Banffshire and Buchan Coast) (SNP):** I am pleased to bring to Parliament the Scottish Fishermen's Federation's sea of opportunity campaign, and I would like to recognise Bertie Armstrong, who is the chief executive of the SFF, and Mike Park, of the Scottish White Fish Producers Association, who are in the public gallery.

Since the outset, the European Union common fisheries policy has been opposed by our fishermen, my political colleagues in the Scottish National Party and others in other political parties. Indeed, my first speech here in Parliament in 2001 was on the CFP. In theory, the CFP protects the long-term interests of those who fish, those who eat fish, local economies that are dependent on fish and the environment on which our fish depend.

In practice, however, its effects have been very different. First, when the United Kingdom signed up to the CFP, it signed away rights to fish in our own waters. Today, the majority of the fish that are caught there are caught by fishing vessels from other jurisdictions, and the majority of our fish are landed elsewhere.

Secondly, although those who eat fish can generally buy the fish that they want, the majority of it is imported. That is a very strange situation when our waters are the most productive in Europe.

Thirdly, the economic benefit to our communities has been much less than it should

have been. In England, major fishing ports are all but gone and the fishing rights that remain are largely in foreign hands. Although Scotland has fared somewhat less badly, it has been in Norway and the Faroes that we have seen much of the onshore growth in recent years.

Finally, the chaotic fishing councils each year—I have attended a couple—have not involved fishermen to any meaningful degree. They are the people with real knowledge, yet they are not involved in the dynamic decision-making process, which has often left everyone scratching their heads to justify the outcomes.

The SFF's a sea of opportunity campaign lays out the opportunities that are available to our catching sector as we look to leave the common fisheries policy. For our processing sector, there are both opportunities and risks. Last week's report of increased losses at Shetland Catch, largely due to the closure of the Russian market, shows the dangers of any restriction of access to markets. Even the worst-case scenario should leave us able to sell into the EU, but on what terms? We have yet to discover that.

However, for our catchers, our gaining control of our waters should be a win-win-win and an opportunity to do things very differently. We have to protect the investments that our fishermen have made in quota under the existing system, but when new quota becomes available, we must look at how to manage that in a way that shares the benefit between the catchers and the communities that, by their proximity to the relevant waters, have a proper interest in it. That will require hard thinking and collaborative working. I do not have the answers; we all have yet to find what might work.

On the day when we leave the CFP, we need to have a new management regime in place. It might be reasonable to make changes over time, as disruption at one point is in no one's interests. We need to have agreements in place with other states, but this time we need to make sure that we make the decisions and keep control of how fishing is undertaken in our waters. A key part of that is to ensure that the management regime protects stocks for future generations of fishermen and fishing-dependent communities. I am frequently told of the difficulties that sons of fishermen have in becoming established in the business. With increased control, we have an opportunity to control differently and differentially the access to quota without which no new skipper can reasonably fish.

Fishermen are independent individuals who often refuse to share their catching data even with members of their own family. They compete with each other as well as with the elements, management regimes, the hunted fish and—until

now—the CFP, so it is a substantial achievement on the part of the Scottish Fishermen’s Federation to have reached an agreed position that reflects the opportunities and risks that are presented by our leaving the CFP. It is working with our Government and the UK Government in a more effective way than for many years, and it is ensuring that we as parliamentarians are informed.

However, delivery of the prospective control of our waters in a way that suits our interests is not a given. In the 1970s, our rights were traded away to achieve the wider agreement to enter the then European Economic Community. We knew nothing of that deal until it was done and it was too late. That danger exists this time as well, not because of malice on the part of the UK Government but because of expediency, the need to reach a deal and the comparatively small economic contribution of fishing compared with, say, Nissan in Sunderland, which seems to be positioned for special treatment. The UK also faces a significant resource bottleneck that means that allocating civil service expertise to getting the best outcome for fishing might not be top of the priorities.

My motion asks that political parties “consider”—I am not seeking their commitment to support the idea, yet—whether the UK’s and, in particular, Scotland’s fishing interests might not be best served by a Scottish minister leading for the UK in the forthcoming negotiations.

Today’s speech by the UK Prime Minister delineated potential difficulties for Spanish fishermen through loss of market access to the UK while saying nothing whatever about the position of Scottish and English fishermen. That illustrates a worrying disengagement from the real-life issues that affect our fishing industry and gives an astonishing insight into how little our industry is on her radar.

We need to avoid our prospective rights being traded away as they were 40 years ago. Having our minister at the table would be our insurance. It would not be a free ticket, because they would have to negotiate for the agreed position of the whole of the UK and not solely for Scottish interests.

I again congratulate the SFF, wish it well and trust that we in the Parliament can all support its efforts. Locally in Banffshire and Buchan Coast, which—with Shetland—is the heart of our fishing industry, I recognise that all the candidates who stood in this year’s election voted remain in the referendum in June but I now expect, as fishermen do, that all of us will work for the best possible result from our leaving the CFP. Fishing has been central to the history of many Scottish

communities, and it must be central to the future of those communities too.

17:16

**Peter Chapman (North East Scotland) (Con):** Stewart Stevenson’s motion is an important one, especially to our shared patch along the Buchan coast. He has rightly spoken of the incredible contribution that fishing towns such as Fraserburgh and Peterhead make to our rural economy. There is much in his motion that I agree with, and his speech was a testament to the impact and importance of the fishing industry in the north-east.

In last month’s debate on the end-of-year fisheries negotiations, I spoke about the incredible work that our fishermen have done to keep fishing sustainable. That is why I fully agree with the SFF’s call for us to have full control of the 200-mile exclusive economic zone to boost the fishing industry not just around Scotland but in all UK waters. We know that 60 per cent of the fish that are caught in our waters are landed by foreign vessels, and we know that our fishermen are keen to get out there and get more of that catch for their benefit and that of their communities, so I am confused by the Scottish National Party’s position. Mr Stevenson will be fully aware that it is the SNP policy of remaining in the EU and in the disastrous CFP that prevents Scotland’s fishing industry from enjoying the benefits of exclusive economic zone control.

**Stewart Stevenson:** Will the member take an intervention?

**Peter Chapman:** Do we do that?

**The Deputy Presiding Officer:** You can—and I will give you some time back.

**Peter Chapman:** Well, I will, then.

**Stewart Stevenson:** I would like to provide clarity on the SNP’s position. I direct Peter Chapman to the words on the CFP of our then leader, Donald Stewart, which are reported in a House of Commons *Hansard* from July 1982. They indicate a very different position on the CFP from the one that Peter Chapman suggests. I also direct him to the work of Allan Macartney in the European Parliament before his death in the late 1990s, which also shows that the CFP has throughout its history been rigorously, vigorously and consistently opposed by the SNP.

**The Deputy Presiding Officer:** You will get your time back, Mr Chapman, so do not concern yourself.

**Peter Chapman:** Thank you very much, Presiding Officer.

I totally reject that intervention, because we are talking about now; we are not talking about the position away back in the 1980s. It is absolutely clear that, right now, the position of the SNP Government is to remain part of the EU and of the CFP. There is nothing that Mr Stevenson can say that changes that.

A cynic might argue that this evening's debate represents a desperate attempt by the SNP to win back some credibility. Its leader's obsession with talking up a second independence referendum and remaining in the EU is precisely what fishermen did not vote for and do not want, so it is hardly surprising that SNP support is disappearing from fishing communities like *sna aff a dyke*.

On Friday I spoke with Bertie Armstrong at the SFF, and he was crystal clear to me: the UK, as the member state, must negotiate our exit from the EU. It is obvious to me from the last part of his motion that Stewart Stevenson does not understand the SFF's position.

I recently led a delegation that met with Andrea Leadsom and George Eustice, and I am confident that they fully understand the unique opportunities that we have here in Scotland. George Eustice, as our UK Minister of State for Agriculture, Fisheries and Food, has a wealth of experience to draw from in contributing to the whole country's negotiating stance. I assure my constituents, and fishing communities across Scotland, that both ministers stressed that fishing would be protected and that they recognise the huge prize that could be won.

As Theresa May set out today, now is the time for the whole country to unite behind getting the best deal possible from Brexit and making it work for everyone. To that end, I encourage Scottish Government ministers—as I have in the past—to engage fully with their UK counterparts, to stop trying to increase division and hostility between Westminster and Holyrood and to engage positively, for once.

The Prime Minister has made her position plain by explaining that all the devolved nations will be able to provide input for the Brexit process. It is vital for our fishing industry that this SNP Government engage with that process to make a success of Brexit.

On a final note, the SNP's "Scotland's Place in Europe", which was published less than a month ago, specifically says:

"As a government we remain committed to EU membership as an independent nation—and are proud to say so."

I would be shocked if many of our fishermen agree with that sentiment.

17:21

**Maree Todd (Highlands and Islands) (SNP):** I thank Stewart Stevenson for bringing this important issue to Parliament today. I also want to thank the Scottish Fishermen's Federation for its promotion of the sea of opportunity campaign. I think that the SFF is right to say that although Scotland and its fishing industry face an uncertain future, we should be seeking out opportunities when they arise, and that will include the opportunity to seek out better arrangements for the Scottish fishing industry.

There is clear potential for an improved arrangement for our fishing industry and our fishing communities. Regardless of what else the future may hold politically, we will be negotiating our relationship with the EU in some shape or form. That means that we will have the opportunity to negotiate a new arrangement for the fishing industry to replace the common fisheries policy, which is clearly not a fair arrangement for the Scottish fishing industry and Scotland's fishing communities.

I am hopeful that our fishing industry can be better off when those negotiations are over, but that outcome is by no means guaranteed. The fact that there is an opportunity does not necessarily mean that it will be seized upon.

I want to remind Conservative members that back in the 1970s, when the common fisheries policy was being negotiated, the UK Government's negotiators were willing to barter away the interests of Scotland's fishing industry. We must remember that our fishing industry then was described as "expendable" during those negotiations. Let me do as Peter Chapman asked and bring us right back up to today. It is often said that the past is the best predictor of the future. Today we have had a strong hint of what the future might hold for our fishing communities. It is notable that Theresa May chose to mention the interests of Spanish fishermen in her keynote speech. Many people in my community will share my fear that that is an indication of readiness yet again to trade away our interests.

The reality is that that the UK fishing industry is, for the most part, a Scottish industry. We have bountiful seas: I have mentioned before that Shetland, in my region, lands more fish than England, Wales and Northern Ireland combined.

Therefore, the prospect of this matter, which is of such importance to the Scottish economy and to Scottish communities, being handled by a UK Government that has such a consistent track record of letting Scotland and our industries down fills me with dread. If negotiations are mishandled, our fishing industry could be worse off than it is at present. We could retain large parts of the

common fisheries policy while missing out on aspects of EU membership that have clearly benefited the industry.

I am pleased that the Scottish fishing industry is united in its insistence that fishery regulations incorporate a commitment to sustainable harvesting, with appropriate conservation measures established for all fishing activity. Many of our stocks are now certified under the gold standard of the Marine Stewardship Council, and we do not seek any departure from the established quota-setting process, which is based on scientific advice.

Working together to protect the marine environment and manage fish stocks will deliver Scotland's ambition of a productive and healthy marine environment that supports thriving coastal communities and a profitable fishing industry.

Another benefit that we have had from the EU is the free movement of people, which is undoubtedly vital for many of the fish processing businesses, particularly in island communities, where there is low unemployment and no people to take those jobs if we cannot attract EU immigrants. Almost all of the shellfish that is landed in the west Highlands, which is where I come from, goes direct to European markets. It is vital that negotiations that primarily affect Scotland's fishing industry are handled by a minister who is a representative of Scotland and who is, crucially, accountable to the people of Scotland.

17:25

**Ross Thomson (North East Scotland) (Con):**

I welcome Bertie Armstrong and Mike Park to the public gallery as my guests this evening.

I am pleased that, in bringing the motion to Parliament, Stewart Stevenson has finally acknowledged that Brexit allows us to regain control over fishing in the offshore economic zone and presents an unparalleled opportunity to reinvigorate coastal communities in the north-east and across the UK. It is a refreshing change of pace from the negativity and short-sightedness that we have come to expect from SNP members on this issue.

The decline in the fishing industry has been steady but clear since the EU's common fisheries policy and its quotas came into existence. Landings of fish in the UK have more than halved since the 1970s, from 948,000 tonnes to 451,000 in 2014. The CFP has been destructive to the fishing industry, particularly in the north-east, and gravely unfair to hard-working fishermen. It will come as no surprise to members to hear that I, therefore, fully support the Scottish Fishermen's Federation's sea of opportunity campaign to assert

control over our 200-mile exclusive economic zone under the United Nations convention on the law of the sea and to establish a fairer and more appropriate share of catching opportunities for fishermen in the UK.

**The Minister for International Development and Europe (Dr Alasdair Allan):** Will the member give way?

**Ross Thomson:** I would like to make some progress.

Indeed, the House of Commons Exiting the European Union Committee heard evidence that the UK fishing industry might double its catch when we take back control of our waters. Brexit can herald the renaissance of our fishing industry for generations to come.

The SNP Government, however, seems to be entirely out of step with the fishing industry. It continues to wax lyrical on the necessity of the single market to the industry, and yet Bertie Armstrong has said

"we don't need a single market",

especially since Brexit presents great opportunities in gaining access to new markets such as India. One has to question whether the SNP knows what is better for the industry than the fishermen themselves.

**Dr Allan:** The member talks about the views of fishermen. I do not claim to speak for all fishermen, but is the member aware that a number of fishermen in my constituency have said to me that although they took a different view of Brexit from mine, they are appalled by the prospect of not being in the single market? How does the member react to that? Has he spoken to any fishermen about it?

**Ross Thomson:** I just quoted the chief executive of the Scottish Fishermen's Federation, who said

"we don't need a single market"

and that there are opportunities for all fishermen to explore the new and growing markets in other parts of the world where they can sell their fantastic produce. That is what the Parliament should endorse.

To address the final part of Mr Stevenson's motion, it is simply the wrong time to raise the question. Article 50 has not yet been invoked. To start deciding which ministers should represent us is almost like arguing over which bedroom you want before you have bought the house.

The interests of Scottish fishermen should always be regarded as a priority, but that is not equivalent to having a Scottish Government minister lead the negotiations, given that the heft



of the exclusive economic zones involve other parts of the UK. The SNP should stop trying to score political points to the detriment of this most crucial Scottish industry.

In his speech, Stewart Stevenson failed to acknowledge regional candidates. The fishing industry unequivocally voted for Brexit. Furthermore, research from the University of East Anglia shows that around 54 per cent of Stewart Stevenson's own constituency of Banff and Buchan voted for Brexit, like me.

**Stewart Stevenson:** How do you know?

**Ross Thomson:** Perhaps now is the perfect time for Stewart Stevenson to unshackle himself from divisive and hostile SNP rhetoric and to start standing up for the people in his constituency, who elected him to this Parliament.

**The Deputy Presiding Officer:** Thank you.

Mr Stevenson, I know that it is difficult, but could you contain yourself a wee bit?

17:30

**Rhoda Grant (Highlands and Islands) (Lab):** I congratulate Stewart Stevenson on securing this debate, which pays tribute to the Scottish Fishermen's Federation's work on behalf of its members to promote sustainable fisheries in Scotland.

I did not agree with the Scottish Fishermen's Federation about leaving the EU—indeed those of us who did not want Brexit still harbour regret and a real and abiding worry about where Brexit leaves us—but I agree that we must all secure the best possible deal for the UK and thereby for Scotland.

Although we disagree that a Scottish Government minister should lead negotiations on behalf of the UK, we agree that the Scottish ministers must be involved. If we believe in democracy, we cannot believe that Scottish ministers should lead negotiations on behalf of the whole of the UK. If they did that, it would create a democratic deficit for fishers in England, Northern Ireland and Wales. How can their interests be represented by someone who was not elected by them and is therefore not democratically answerable to them? We would not stand for that, so why should we expect them to do so?

**Dr Allan:** Will the member take an intervention?

**Stewart Stevenson:** Will the member take an intervention?

**Rhoda Grant:** May I make progress?

Everyone needs their voice heard and, whether we like it or not, the UK Government is elected by the whole of the UK and has a direct democratic link to the whole of the UK. It is therefore

incumbent on the UK Government to represent the interests of the whole of the UK, as the nation state.

If we are to get the best outcome from the negotiations, we must also involve the devolved Governments. The Scottish Fishermen's Federation has said:

"We intend to secure the best possible deal for Scottish fishers, irrespective of constitutional developments, and believe that the two governments working together would produce the best possible outcome for fishers on both sides of the border."

I absolutely agree that our Governments should be working together for that.

**Stewart Stevenson:** When Jack McConnell represented the UK at a European council, on behalf of all the countries and Governments of the UK, was that illegitimate? For that matter, was it illegitimate for many of the current ministerial team to do similarly, as they have done? There is nothing novel whatever about such an approach.

**Rhoda Grant:** What I said in no way contradicts that. Scottish ministers should be involved; what I said is that they cannot democratically represent other parts of the UK. It is for the UK to lead and for Scottish Government ministers to be there to make an input and to offer support, where relevant. The process has to be led by UK ministers, because we must abide by the constitution of our country.

The SNP Government is using the threat of an independence referendum in its Brexit negotiating position. I really dislike that. It is a bit like a spoilt child who says, "I'll take my ball away if you don't play by my rules." This is a job not for spoilt children but for mature adults, working together for the good of our nation. I welcome the ruling out of another referendum this year, but we need to remove the threat for a generation. It is important that that happens.

Of course, there are opportunities for the UK from Brexit. We will have more control of the seas to the 200-mile limit, and we hope that in that regard the powers to manage fisheries will remain devolved. We will also have the opportunity to manage the asset better, for the good of our coastal communities. We must bear in mind the fact that fishing traditions differ a lot between communities and we must ensure that all coastal communities have access to good-quality fisheries.

That is about not just where we fish but how we fish. Our fishers have been at the forefront of developing sustainable fishing methods, but we need to acknowledge that often that has been in response to European fisheries restrictions. We should continue the good work even if the stick has been removed; the carrot is a sustainable,

efficient fishery for ourselves and future generations. It is also in fishers' interest to maintain stocks for commercial purposes.

The Scottish Fishermen's Federation, and indeed all Scots, want both their Governments to work together to maximise the benefits and diminish the challenges of Brexit. It is incumbent on us all to work together to achieve that.

17:35

**Tavish Scott (Shetland Islands) (LD):** I, too, welcome the Stewart Stevenson-Bertie Armstrong axis, which has been recreated for the purposes of the debate.

If anyone was in any doubt about the feeling in the industry on what has happened in the past, they should have been in Scalloway on Friday, because it was the day of the Scalloway fire festival, and this year's guizer jarl Hakon Magnusson was actually Victor Laurensen, who in his day job is skipper of the Radiant Star. It was not so much Victor who gave me what for on the ills of the common fisheries policy, but his father Bert, who fished for many years out of Hamnavoe in Shetland and who has a legion of stories about the iniquities of a policy that has not worked.

That is why, as colleagues from across the chamber have said, the fishing industry, pretty well to a man, voted to leave the European Union. A lot of Scots voted differently, but the fishing industry voted to leave. We can bandy around figures on different areas, but I have no doubt that, in Shetland, most of those in the industry wanted out of a policy that has not worked. To paraphrase Ronald Reagan, the three most dangerous words in the English language are "common fisheries policy"—it is not common, it has never been about fish and it has certainly never been a policy.

I hope that there is a sense of realism about the future and what is about to happen, not just in our industries but in politics. The Prime Minister today cited French farmers, German exporters and Spanish fishermen. By definition, gentlemen—and ladies—the reality is that the industry will now be a bargaining chip in what will happen over the coming years. The Tories have form on that. I am not old enough to remember it, but that happened in the 1970s, and we are right back in the same place again. I cannot conceive how anyone can be confident about that at all. If the Government of the day in London can cut a deal with Nissan of which we have no knowledge or detail, heaven help us when it gets to the point of Spanish access to the North Sea versus the right of the city of London to trade people—it is people, because that is how bankers operate—around Europe. We need to be very clear about that.

We have no idea what the negotiating position is, because Theresa May carried on the running commentary and gave indications on some issues but not on others. However, whatever negotiating position is established, it is vital that we know where fishing stands before article 50 is triggered at the end of March and negotiations start.

**Dr Allan:** I agree with the member's sentiments. Given what he has said about the negotiating situation that we are in, which I agree with, does he feel that one of the biggest risks facing the fishing industry is the sheer overwhelming priority that the UK Government appears to be giving, above all industrial and fishing considerations, to ending the freedom of movement of people?

**Tavish Scott:** There is absolutely no doubt that the fishing industry needs people. There are men—on the whole, they are men—on many a Shetland boat from not just the European Union or eastern Europe but other parts of the world. Again, we have no detail on the immigration policy, as Ken Clarke, who was cited in the earlier debate, said on the news just now. If it is a blanket and harsh immigration policy, that will damage the fishing industry and many industrial sectors across the UK.

Mr Stevenson remarked on the different aspects of the sectors. He is right about the catching sector, although I think that there is a difference between the pelagic and the white-fish sectors. The white-fish industry needs access to European markets. I hope that even Bertie Armstrong would concede that the single European market that is used by our white-fish industry, not just in Lerwick but in Peterhead and on the west coast, is and will be essential.

I suspect that the future of the pelagic industry is now more tied up with the pronouncements of the president elect of the United States and his relationship with Putin, which affects Russia and Crimea, as it is with anything that will happen with Brexit in the next two years.

**The Deputy Presiding Officer:** I have a feeling that Mr Armstrong should have been in the debate, as he has been referred to so often.

17:39

**Finlay Carson (Galloway and West Dumfries) (Con):** I welcome the debate, which is important. I also welcome our fishing representatives to the chamber.

There is much in Mr Stevenson's motion that, like my Conservative colleagues, I support. As has been mentioned, the fishing industry is the economic bedrock of many of our coastal communities, particularly in the north-east of

Scotland. However, the fishing sector is also important in my constituency.

Kirkcudbright is home to one of the most important fishing ports in the country. Indeed, it is the biggest port for scallop landings, with more than 3,800 tonnes being landed annually. West Coast Sea Products employs more than 150 people locally, which makes it one of the biggest employers in my area. In addition, the company exports more than 90 per cent of its product to Europe, particularly France. I have no doubt that, following the Brexit negotiations, it will still be able to export its products and benefit from some of the opportunities that will flow from being outside the European Union.

As the Scottish Fishermen's Federation spells out, 61 per cent of what will become the UK's exclusive economic zone, or EEZ, is Scottish and contains some of the most productive, valuable and diverse fisheries that are to be found anywhere. That puts Scotland in a unique and enviable position, which makes it even more important that we get the best deal from the forthcoming negotiations. However, as I have said before, to get the best deal, Scotland needs the Scottish Government to get around the table with the UK Government, put its shoulder to the wheel, accept that the UK, not Scotland, is the member state and contribute constructively to the team UK approach to the negotiations. We must work hard together as a team to get the best deal.

That is exactly what the Scottish fishing industry is doing in its excellent sea of opportunity campaign. The Scottish Fishermen's Federation has set out its wish list, which includes the power to establish a more effective and reactive fisheries management system, the freedom to explore new markets for seafood in rapidly expanding economies outside the EU and a fairer and more appropriate share of the catching opportunities for the Scottish fishing industry within our waters. As the federation points out, Scotland's vessels account for a minority of the total tonnage and value taken from what would become the UK's EEZ.

Scotland's fishermen are optimistic about their future post Brexit, and Conservative members are equally optimistic for the industry. Many of the people who work in it were the most ardent supporters of Brexit and made their case eloquently in debates up and down the country in the run-up to last summer's referendum. In many ways, that is not difficult to understand given the red tape and rough time that they have had to endure.

Only the UK Government can negotiate with the EU and it is the UK as a member state that must do the best job. We have a duty to support that important Scottish industry as the negotiations

proceed, and I urge the Scottish Government to do exactly that.

17:43

**The Cabinet Secretary for Rural Economy and Connectivity (Fergus Ewing):** I congratulate Stewart Stevenson on bringing the issue to the Scottish Parliament in a debate that I can best characterise as having been spirited and intermittently informative.

I have had the great pleasure of working closely with Bertie Armstrong, Mike Park and their colleagues in the Scottish Fishermen's Federation, and have done my best to understand the diverse and complex issues that are involved. I start off this new year by stating that I am determined to work with all parties and members to advance the interests of Scotland's fishing industry and its fishermen.

I entirely endorse the remarks that Stewart Stevenson made. The CFP has been cumbersome, unduly burdensome on the Scottish fishing industry and intensely disliked by fishermen for what it has done to them over the years, but there are more facts that we need to bring into the debate.

I was pleased to lead the Scottish delegation at last year's negotiations, at which, together with our able officials, we achieved 33 of our objectives. One more was partially achieved and three were not achieved. We achieved an extra £47 million of opportunity for the fishing industry and we secured full eligible quota top-ups to support the phasing of stocks in to the discard ban.

We made significant political gains with the EU for a new flexibility arrangement in relation to where Scottish vessels are able to fish for haddock. That reduces the risk of choke—an extremely serious problem that has perhaps not been mentioned enough in the debate—and it reduces operating costs.

We also made a significant and really hard-won political gain, based on my workmanlike relationship with George Eustice, in agreeing that the UK Government would top-slice the UK Arctic cod quota—which was purchased, incidentally, with Scottish blue whiting at EU-Norway talks—in order to create a UK pool of swap currency to bring in additional North Sea quota where there are risks of choke under the landing obligation.

I will not read out all the rest of the fruits of that negotiation, but it is reasonable to point out that we fought hard for Scotland's fishing industry. My modus operandi is to work as constructively as possible with everybody else, including George Eustice. That is exactly what I did, and I hope that

it is the right approach. I will certainly continue with it.

We share the SFF's view that the CFP has had its day. Earlier this afternoon, we debated "Scotland's Place in Europe", which is really the only detailed plan that has been put forward. I know that it has been criticised—that is to be expected—but it is a detailed plan, and some Conservative members gave credit to Mike Russell for it. It postulates, of course, that we will come out of the CFP with the differentiated Brexit proposal that we have put forward. I played a part in getting that into the deal—members should be absolutely sure about that.

We want to get out of the CFP, and we think that that is best option for Scotland, precisely because we can then ensure that key decisions that affect Scotland's marine assets are made here and not elsewhere—I hope that all members agree with that—and that we can put in place more proportionate fisheries management measures that are based on science and do not arbitrarily impose landing obligations that might well result in vessels having to be tied up in January, February or March and being unable to fish for the rest of the year. I have compared that situation with a proposal that Marks and Spencer close its doors to retail customers in the spring, which would plainly be absurd.

There is a lot of common ground between the SFF and the Scottish Government, and I am determined to pursue that. However, let us look at some of the facts. In 2015, Scotland exported £438 million of fish and seafood to the European Community. Without access to the single market, there are serious questions to be asked about that. We must bear in mind, as Maureen Watt exhorted me to do, that she and other members represent fish processors that have a distinct and legitimate set of interests and commercial concerns. We must look at them in detail in conjunction with our colleagues in Westminster. I will certainly ensure that that process is engaged in.

We have contributed £77 million of European funding to more than 1,200 projects. I was pleased to launch—or relaunch—the injection of a substantial sum to improve the facilities at Peterhead harbour, which I visited early one morning to see the fish market in operation.

The SFF agrees that we need to work out a policy in a differentiated Brexit that provides at least the same level of vital support to upgrade our ports and harbours, the ice facilities, and the access to reasonable-cost electricity to deal with modernisation and innovation, such as the electronic-eye auction system that is being considered for Fraserburgh.

**Tavish Scott:** Will the minister give way?

**Fergus Ewing:** Yes, I will certainly give way.

We need to do all those things, and there needs to be a funding method that enables that to happen.

**The Deputy Presiding Officer:** You were nearly dancing while you waited, Mr Scott.

**Tavish Scott:** In that spirit, when the cabinet secretary is next in Lerwick, will he be prepared to make a positive decision about future funding for the new Lerwick fish market, based on the principle that modernisation needs to happen?

**Fergus Ewing:** I certainly will do that. I hope to get to Shetland. I can blame the British Government for my not having done so, because I had to meet it in Wales. I could not go to Shetland, so the visit was cancelled.

To be serious, I absolutely believe that a legitimate question needs to be answered. What will replace the good things that have come from Europe? Moreover, what will happen to the workers in the processing factories who come from the EU? Will they be secure and will they be welcome? These are very basic questions and they need to be answered.

On access, Maree Todd was quite right about what happened in the 1970s. I am a bit surprised that Tavish Scott is so youthful that he cannot remember the debate in the 1970s, but I stand corrected. It is essential that the exclusive economic zone is not traded away. The worrying thing about what the Prime Minister said in a throwaway comment about Spanish fishermen today is that it suggests that she is already contemplating such negotiations.

When I meet UK ministers—including Mr Eustice and Ms Leadsom—on Thursday next week I will ask emphatically for them to please now provide us with that which they have hitherto refused to provide clearly, which is an absolute undertaking that under no circumstances will they trade away the right to fish in Scotland's waters as part of Brexit negotiations. It is reasonable to expect that that assurance will be given, but it has not been given yet. I have asked for it three times face to face; I will continue to ask for it. I am grateful to have the opportunity to debate these matters with members this evening in order to highlight that point and to highlight the enormous importance and value of Scotland's fishermen and fishing industry to our country.

*Meeting closed at 17:51.*

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