OFFICIAL REPORT
AITHISG OIFIGEIL

Meeting of the Parliament

Wednesday 19 June 2024

Session 6

The Scottish Parliament
Pàrlamaid na h-Alba

Wednesday 19 June 2024

CONTENTS

Scottish Parliament

Wednesday 19 June 2024

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

Portfolio Question Time

Rural Affairs, Land Reform and Islands

The Deputy Presiding Officer (Annabelle Ewing): Good afternoon. The first item of business is portfolio question time, and the first portfolio is rural affairs, land reform and islands. I remind members that questions 4 and 6 are grouped together, and that I will take any supplementaries on those questions after both have been answered.

Crop Damage (Mitigation)

1. **Jeremy Balfour (Lothian) (Con):** To ask the Scottish Government how it plans to mitigate against crop damage over the coming months. (S6O-03589)

The Minister for Agriculture and Connectivity (Jim Fairlie): I am very aware of the diverse range of challenges that farmers are currently facing. The Scottish Government places a very high priority on supporting farmers to mitigate against crop damage from a wide range of threats, notably from plant pests and disease, and in adapting to climate change.

The Plant Health Centre and the Farm Advisory Service are key elements of that support. We invest almost £50 million a year in-portfolio on strategic research in order to support advances in sustainable crop production, natural resources and the environment, including research that is aimed at improving crop resilience.

Jeremy Balfour: I thank the minister for his answer, but last year, Scotland's farmers had to endure extreme drought, wildfires and a deluge of rain. The delayed start to planting this year has already alarmed farmers about the coming months. Considering the Scottish Government's poor response last year, can farmers and local residents expect anything different this year?

Jim Fairlie: Clearly, I disagree with what the member says—I think that the Scottish Government's response was very good. I have already informed members that I hosted a flood resilience and water management round-table event with the sector earlier this year. The Government has already put in £1.8 million of flood support, which is available for flood bank repairs. There is on-going support and work with the industry, and this Government has a very good working relationship with the farming sector.

Rural Economy (Business Expansion)

2. **Liz Smith:** To ask the Scottish Government what discussions the Cabinet Secretary for Rural Affairs, Land Reform and Islands has had with ministerial colleagues regarding action to support businesses in the rural economy to expand. (S6O-03590)

The Minister for Agriculture and Connectivity (Jim Fairlie): The Cabinet Secretary for Rural Affairs, Land Reform and Islands is committed to building a prosperous and inclusive rural community, and she meets—as I do—with ministerial colleagues to represent the interests of both rural businesses and communities.

For example, alongside the Deputy First Minister, the cabinet secretary co-chairs the rural delivery plan ministerial working group. That group was established to ensure that Government delivers for rural areas in a cohesive way, making best use of our collective resources to deliver sustainable outcomes for rural islands and rural coastal communities, including on economic development.

Liz Smith: The minister will know that a recent survey from the Country Land and Business Association found that 73 per cent of businesses are losing thousands of pounds of investment, thanks to projects being held up by the planning process. I suggest that that is an issue not only in the rural sector, but elsewhere.

What is the Scottish Government doing to address that concern about the planning process?

Jim Fairlie: The member raises a very good point, and planning is a matter that has been raised by members on all sides of the chamber. However, I go back to my point that we have a joint ministerial working group and we talk about these issues regularly. There are specific issues in the member's region and in my constituency, of which we are very cognisant, and we are definitely working towards finding proper solutions for them.

The Deputy Presiding Officer: We have a supplementary from Emma Roddick, who joins us online.

Emma Roddick (Highlands and Islands) (SNP): Does the minister agree that the Tories—just this once, before they are booted out the door—should be honest with rural businesses and communities, acknowledge the damage that they have caused and apologise for the barriers that they have created for businesses and the havoc that their policies have caused for Scotland's rural economy?

The Deputy Presiding Officer: Minister, if you can extract from that anything that falls within your jurisdiction and responsibility, please do so. Otherwise, please just do not bother.

Jim Fairlie: The member is absolutely correct to say that we have a range of problems that have arisen for the rural community as a result of things that have happened via Westminster, Brexit being the obvious example, but I will leave the politics there for the moment.

Rural Depopulation (Effect of Agricultural Support)

3. **Liam McArthur (Orkney Islands) (LD):** To ask the Scottish Government what discussions the rural affairs secretary has had with ministerial colleagues regarding the potential link between agricultural support and rural depopulation. (S6O-03591)

The Cabinet Secretary for Rural Affairs, Land Reform and Islands (Mairi Gougeon): In our vision for agriculture, rural communities can thrive and more people, not fewer, can live and work sustainably on our land. That is regularly discussed with ministerial colleagues. Through a phased approach, as outlined in our agricultural reform route map, future agricultural support will improve the resilience, efficiency and profitability of the sector.

I oversee the rural component of our addressing depopulation action plan, which strategically supports communities facing population decline. We will continue engagement with rural partners to deliver the right support, ensuring sustainable communities now and into the future.

Liam McArthur: Recent research by Scotland's Rural College looked at the risks and opportunities for Orkney, Shetland and the Western Isles as a result of changes in agricultural policy and support. Although differences exist between each island group, all three boast high levels of environmental designations and priority habitats and species. In all three, agriculture accounts for a higher share of business activity and employment compared with Scotland as a whole, with a larger multiplier effect across the economy from any investment that is made. Given that and the challenges that are faced in sustaining populations and building community resilience, what commitment can the cabinet secretary give that future policy and support will reflect the findings of that research? Does she accept that what happens to farming and crofting matters to our islands economically, environmentally and socially?

Mairi Gougeon: The member raises a number of important points. I will first touch on the research element. The Scottish Crofting Federation raised that report with me, and I believe that it is due to be published shortly. As with anything, the more data, information and research that we have to help inform our policy decisions can only be a good thing.

I give the member the assurance that we will consider the report as we continue on our agricultural reform journey and continue developing policy. We will, of course, look to work closely with rural communities on the other elements that the member discusses. I absolutely recognise how important agriculture is to our rural communities, particularly our island communities, including the member's constituency of Orkney.

Emma Harper (South Scotland) (SNP): In some parts of Scotland, people are farming and crofting in the most marginal and challenging of circumstances. Does the cabinet secretary share my concern that any undermining of Scotland's ability to tailor agricultural payments to the specific needs of our sector could potentially render certain types of farming and crofting unviable and be a catalyst for people leaving agriculture and their communities? That is why it is vital that the devolved nature of agriculture is not undermined.

Mairi Gougeon: The member raises a critical point. Our ability to design support that works for our farmers, crofters and land managers in Scotland is critical. We have very particular types of support that do not exist elsewhere in the United Kingdom that recognise the type of land mass that we have in Scotland. An example that illustrates that is our less favoured area support scheme payments, which are critical for the people who work on our most marginal land. We had concerns throughout the passage of legislation such as the Subsidy Control Act 2022 and the United Kingdom Internal Market Act 2020 because of the threat of their potential to undermine our ability to develop policy that works for Scotland. That is why we will continue to develop policy here, by working with our farmers and crofters to deliver a future framework of support that will work for them.

Brexit (Food and Drink Exports)

4. **Kevin Stewart (Aberdeen Central) (SNP):** To ask the Scottish Government what analysis it has undertaken to consider the impact that Brexit has had on Scottish food and drink exports. (S6O-03592)

The Cabinet Secretary for Rural Affairs, Land Reform and Islands (Mairi Gougeon): The food and drink growth sector is a major contributor to Scotland's economy and is Scotland's biggest non-energy export. The sector continues to be impacted by a range of issues, including Brexit, with many parts of it suffering from lower exports to the European Union post-Brexit, including a 45

per cent fall in fruit and vegetable exports between 2019 and 2023.

Kevin Stewart: Meat producers, seed potato growers and many other food manufacturers have been severely impacted by Brexit. Salmon Scotland revealed that Scotland lost up to £100 million a year in salmon exports to the EU because of Brexit. Unsurprisingly, the Westminster parties are too feart to talk about the damage caused by Brexit, so can the cabinet secretary assure me that the Scottish National Party Government will always highlight Brexit chaos, stand up for our food and drink industry and do everything possible to get Scotland back at the heart of Europe?

Mairi Gougeon: I assure the member on all those fronts. He raised some important points and identified critical industries for Scotland, not least seed potatoes, which are important for the north-east of Scotland.

Scotland is paying a high price for Brexit, which it did not vote for. The food and drink sector has undoubtedly been impacted, and the figures and costs that have been set out lay that situation bare. We have highlighted repeatedly to the United Kingdom Government the chaos that it has inflicted through its hard Brexit. We will continue to do that, and we will continue to stand up for our food and drink industry.

It is astonishing that neither the Tories, Labour nor the Liberal Democrats are arguing to reverse Brexit. I agree with the member that the only way that we can escape this economic disaster is for Scotland to become an independent country and an equal member of the European Union.

Brexit (Food and Drink Exports)

6. **Marie McNair (Clydebank and Milngavie) (SNP):** To ask the Scottish Government when it last met the United Kingdom Government to discuss the impact of Brexit on Scotland's food and drink exports. (S6O-03594)

The Cabinet Secretary for Rural Affairs, Land Reform and Islands (Mairi Gougeon): The Scottish Government has taken every opportunity to engage with the UK Government to press it on the impact of Brexit on Scotland's food and drink sector. The formal mechanism for that is the interministerial group for environment, food and rural affairs, which last met on 13 September 2023. Unfortunately, the group has not met since, as United Kingdom Government ministers have pulled out of subsequent meetings. There are also regular meetings at official level that cover a range of post-Brexit issues that have an impact on Scotland's food and drink sector.

Marie McNair: The outgoing UK Government imposed a deeply damaging and costly Brexit on my constituents and on the economy. Given that the academic think tank, UK in a Changing Europe, said that Labour's EU plan will have a "minimal" impact on the cost of Brexit, I am glad that the cabinet secretary agrees that only real change from the disaster of Brexit will come when Scotland becomes an independent country with full membership of the EU.

Mairi Gougeon: There is overwhelming evidence that the UK Government's irrational hard Brexit continues to cause significant economic damage to Scotland and, indeed, to the whole UK. For example, in May this year, the Institute of Directors said that 46 per cent of its members were finding EU trade challenging, and that 57 per cent of its members who import or export were identifying new customs regulations as the key problem. Therefore, I completely agree with Marie McNair that the only way forward is for Scotland to become an independent country with full membership of the EU.

Edward Mountain (Highlands and Islands) (Con): I remind members of my declaration of interests as part of a family farming partnership that grows crops and produces beef.

Exports to the European Union of British beef are banned because of bluetongue, which only came into the country through Europe. Does the minister think that the EU—where bluetongue is rife—is right to ban imports from UK countries?

Mairi Gougeon: Edward Mountain has raised an important point. It is vital that we take action on all fronts to try to prevent the importation of such diseases, which is why the engagement that we have had with the UK Government on the border target operating model has been frustrating. We originally agreed to endorse that model because we need to take whatever action we can to prevent importation of diseases such as the one that Edward Mountain mentioned. However, there has been a severe lack of engagement from the UK Government in relation to that and in relation to our west coast and qualifying Northern Ireland goods. The member might wish to raise that issue with his colleagues in the UK Government and ask them to engage with us constructively on those matters, so that we can try to address them.

Small Producers Pilot Fund

5. **Emma Roddick (Highlands and Islands) (SNP):** To ask the Scottish Government whether it will provide further details of how the small producers pilot fund has supported microbusinesses in Scotland. (S6O-03593)

The Minister for Agriculture and Connectivity (Jim Fairlie): We are utterly committed to small producers, and the pilot is only the first step towards that commitment, limited, as it is, by our

present powers and capabilities. The fund was developed in partnership with the industry that Emma Roddick referred to. She will be aware that, earlier this year, the Cabinet Secretary for Rural Affairs, Land Reform and Islands confirmed £1 million resource funding.

So far, we have supported two small-scale abattoir projects and development of the small producer information hub website, and we are currently in the process of procuring a practical training fund, all of which support small producers.

Emma Roddick: I am aware of the £180,000 that was awarded last year through the fund. As the minister mentioned, among the project awards was support for two mobile abattoirs. Many people in my region are keen that those become normal sites for agricultural workers, who often struggle to travel to Dingwall or Mull—journeys that often include multiple ferries and/or lengthy road trips for farmers and their animals. Is the Scottish Government considering further support for such schemes?

Jim Fairlie: Emma Roddick has raised a very important point. The cabinet secretary publicly directed that the pilot steering group explore solutions to challenges regarding accessibility to abattoirs and regarding sufficient throughput. An abattoir survey was conducted and has been published. I am happy to share that with the member.

Continued support for abattoirs will be considered for this financial year, following the review of the funding to date, and we will continue to work with smaller producers to ensure that the right support for their needs is developed with them. The pilot is a step towards ensuring that the essential role of that cohort is recognised and rewarded appropriately.

Rhoda Grant (Highlands and Islands) (Lab): Distribution of support funding is disproportionately targeted at large farms. The £1 million funding pot actually equates to £143 per year for the small producers that are registered. Large farms receive £223 per hectare per animal, which shows the discrepancy in the funding. What action is the Scottish Government taking to ensure fair distribution of support?

Jim Fairlie: As I said in my answer to the previous question, it is a pilot fund and the Scottish Government has absolutely committed—as we have just been through the passage of the Agriculture and Rural Communities (Scotland) Bill—to working with small producers to make sure that they get the absolute maximum possible support through development of the programme.

Cetacean Deaths (Fishing Line Entanglements)

7. **Kenneth Gibson (Cunninghame North) (SNP):** To ask the Scottish Government what discussions it has had with the Scottish Association for Marine Science regarding its research into reducing the deaths of cetaceans from fishing line entanglements. (S6O-03595)

The Cabinet Secretary for Rural Affairs, Land Reform and Islands (Mairi Gougeon): The Scottish Government is aware of the research into entanglement in creel lines of sensitive marine species and we are currently considering the findings of the research. We welcome the support from fishers to trial solutions to reduce such entanglement events, and we welcome the role of SAMS in the work. We are fully committed to tackling the issue and will, through the future catching policy, be working with stakeholders to deliver action to reduce—and, where possible, eliminate—bycatch and entanglement of sensitive marine species, as part of a wider effort to ensure the sustainability of our fisheries.

Kenneth Gibson: Creeling is a low-impact form of fishing. However, rope that is used to connect the creels is causing an ever-greater number of cetaceans, including porpoises, humpback whales and minke whales, as well as basking sharks, to drown after being entangled. A trial of sinking ground line, which is only slightly heavier than standard rope, with creel boats that are operated around the north-west Highlands, has proved to be a simple and effective method of reducing the risk of entanglement in static gear. Therefore, will the Scottish Government explore facilitating wider roll-out of sinking ground line across the static-gear fleet to ensure that Scotland retains its position as a European leader in marine mammal conservation?

Mairi Gougeon: First, I thank Kenneth Gibson for mentioning the research, because we are always interested when it comes to such research reports and their findings and will be giving it our full consideration.

I have just mentioned our future catching policy. As part of our discussions on it, we will arrange a stakeholder workshop on sensitive species bycatch, this summer. We will use that meeting as an opportunity to discuss the findings of the report with the industry.

Our vision for fisheries in Scotland has sustainable management at its heart, and we support good practice by the fishing industry. We are really pleased to see the level of support from fishers to trial solutions that will reduce marine animal entanglements as part of the project.

Beatrice Wishart (Shetland Islands) (LD): Kenneth Gibson is right to highlight the work on trialling solutions to prevent cetacean deaths.

Entanglement also poses risks to seabirds such as gannets and is a danger to shipping. Damage from ghost fishing gear to the propeller of the NorthLink freight vessel MV Helliar recently took her out of the lifeline service for weeks. What efforts are being made by the Scottish Government to prevent ghost fishing gear and thereby reduce entanglements, which are a danger to sea life, fishing and shipping?

Mairi Gougeon: Beatrice Wishart has made some really important points. In relation to seabirds, we have the seabird conservation strategy: work is on-going in that regard. In relation to discarded fishing gear, we are currently supporting the development of a European standard for recyclability and circularity for fishing and aquaculture gear. The standard will provide guidance and encourage designers, makers and users to adopt best practice and available technologies in order to ensure that fishing gear stays in use for as long as possible. That includes its retrieval in the event that gear is lost.

We are part of a number of important initiatives to help to tackle the problem, including the Global Ghost Gear Initiative and KIMO International's Fishing for Litter initiative, to promote behaviour change. I hope that we are, by supporting such projects and by undertaking advances in other areas, as I have set out, taking a rounded approach to trying to get to grips with the problems.

National Register of Ancient Woodland

8. **Graham Simpson (Central Scotland) (Con):** To ask the Scottish Government when it plans to deliver on its commitment to produce a national register of ancient woodland. (S6O-03596)

The Cabinet Secretary for Rural Affairs, Land Reform and Islands (Mairi Gougeon): A new national register of ancient woodland is an important element of the Scottish biodiversity strategy and delivery plan, which we consulted on last year. We have been discussing with NatureScot and Scottish Forestry the best approach to developing a new register of ancient woodland, which will build on the existing Scottish ancient woodland inventory.

Graham Simpson: I thank the cabinet secretary for her answer, but she did not say when the Government plans to deliver that register. I accept that there have been talks and consultations, but if we are to be able to protect and restore our ancient woodland, we need to know where it is, how much of it there is and what condition it is in. I urge the cabinet secretary to have another go at the original question and to tell me when we will see a national register.

Mairi Gougeon: Graham Simpson has raised some important points. I completely understand and agree with him about the importance of the work. I recognise and admit that it has not progressed as quickly as any of us would have liked it to progress, which I fully appreciate, because the work that we have been taking forward has been focused on the biodiversity strategy and its delivery plan. That work has been very complex, because it involves a range of organisations that have interests in delivery of the strategy.

I am completely aware of the importance of providing a national register of ancient woodland and I offer the assurance, now that we are through the first stage of the strategy and are moving into the delivery phase, that that work will be prioritised in order to help us to ensure that our important ancient woodlands are protected. I would be more than happy to keep Graham Simpson informed, as we progress that work.

The Deputy Presiding Officer: That concludes portfolio questions on rural affairs, land reform and Islands. I was unable to take questions from a few members, but they were not here for the start of the question session. There will be a short pause before we move on to the next item of business.

NHS Recovery, Health and Social Care

The Deputy Presiding Officer (Liam McArthur): The next item of business is portfolio questions on national health service recovery, health and social care. I make the usual plea for those who want to ask a supplementary question to press their request-to-speak button during the relevant question.

Moray Maternity Services

1. **Edward Mountain (Highlands and Islands) (Con):** To ask the Scottish Government, in the light of reports that capital expenditure work has now been stopped at Raigmore hospital, when it will publish its plan for the Moray maternity services redesign. (S6O-03597)

The Minister for Public Health and Women's Health (Jenni Minto): On 3 March 2023, the Scottish Government approved the plan that NHS Grampian and NHS Highland submitted for the reintroduction of obstetric maternity services at Dr Gray's hospital, which was backed by up to £6.6 million of Scottish Government investment. We remain committed to that plan. NHS Grampian has a dedicated Moray maternity web page, where it publishes its regular newsletter, which it shares with the public and local elected members. The March edition of the newsletter included a summary of the plan and a working timeline.

Edward Mountain: As the minister well knows, all capital works have stopped, and maternity provision across the Highlands, especially for Caithness mothers, is shocking. Given that NHS Highland has already spent £2.7 million on the project, and it has potentially overspent by £70 million, surely the Government must accept that the handling of the Moray maternity services redesign has been shambolic and nothing short of wicked.

Jenni Minto: With regard to Moray maternity services at Dr Gray's, I am pleased to say that NHS Grampian and NHS Highland have moved forward with delivery of the plan. In addition to the delivery of the first three milestones, three obstetricians and one paediatrician have recently been appointed, recruitment of specialist midwives, anaesthetists and speciality midwives is on-going, expansion of the day-case assessment provision is continuing and operating models for neonatal care and intrapartum obstetric care are being finalised. Work is absolutely continuing, and I regularly meet my officials, who regularly meet NHS Grampian, to discuss progress.

Emma Harper (South Scotland) (SNP): Regarding capital works, the United Kingdom Government's decision to cut the Scottish Government's capital budget for the next five years by nearly 9 per cent in real terms has had a severe impact on healthcare projects. Can the minister advise of any conversations that have been held with the UK Government on that matter? Will she join me in calling on the UK Government to reverse those harsh cuts, to ensure that Scotland's health service infrastructure can be significantly improved?

Jenni Minto: I agree that it is incredibly disappointing that the Scottish Government's capital budget was reduced. As Ms Harper said, our block grant for capital is expected to reduce by around 9 per cent in real terms by 2027. That represents a cumulative loss of more than £1.3 billion.

Ahead of the UK autumn statement in November and the UK spring budget in March, the Cabinet Secretary for Finance and Local Government called on the UK Government to reverse the cuts and to provide clarity on the future of our financial transactions funding. Sadly, no clarity and no additional capital or financial transactions funding for Scotland was forthcoming.

The Deputy Presiding Officer: Question 2 has been withdrawn.

University Hospital Wishaw (Neonatal Intensive Care)

3. **Monica Lennon (Central Scotland) (Lab):** To ask the Scottish Government whether it will proceed with its reported plans to downgrade the neonatal intensive care unit at University hospital Wishaw. (S6O-03599)

The Minister for Public Health and Women's Health (Jenni Minto): The decision to move to three neonatal intensive care units has been made on the basis of clinical evidence that tells us that that change will improve outcomes for the very smallest and sickest babies. As I agreed to do when I met Monica Lennon and Wishaw constituents in November, I have considered again the data and evidence in relation to the proposals and have taken additional advice from clinical advisers who were not part of the best start process for identifying the location of the units, and I am reassured about the validity of the evidence base, the process and the conclusions that were reached.

The Scottish Government-commissioned independent modelling report was published on 29 May. Following consideration of that report, we have asked the regional chief executives to progress with the development of implementation plans.

The Scottish Government is now consulting families on implementation of the proposals, so that we can take account of their concerns when the pathways and processes for the new model of care are designed. An online survey is being developed, and that will be followed by the use of targeted focus groups, to help us to listen to the concerns of parents in Scotland and to inform implementation plans.

Monica Lennon: The minister will know that almost 23,000 people have signed a petition that urges the Scottish Government to stop the downgrading of Lanarkshire's neonatal intensive care unit. It is important that my constituents believe that their voices are being heard.

The Scottish Government says that parents are key partners in the care of their babies and that we should do everything possible to keep mothers and babies together. That said, how can the Scottish Government continue with the devastating downgrading plans, when ignoring the pleas to save the Wishaw neonatal intensive care unit would force families to be apart at a vulnerable and critical time?

Jenni Minto: The new model of care is firmly based on clinical evidence, as recommended by a group of neonatal experts. To ensure that babies and parents remain close, we have the young patients family fund, which will support people. The hospitals that will host the intensive neonatal care units will have suitable accommodation alongside the units, to ensure that that important bonding happens. That is all part of the plans that we are asking the national health service health

boards to work through to ensure that we achieve the best results.

Clare Adamson (Motherwell and Wishaw) (SNP): It is welcome that the local neonatal units will continue to offer care for the vast majority of babies, including a level of neonatal intensive care. For clarity, will the minister reaffirm that the plans are about ensuring that, with pre-emptive planning, the smallest babies are born where they can readily access the specialist care and services that they might need, including neonatal surgery, which is not currently available at Wishaw, and that that is in line with expert clinicians' advice?

Jenni Minto: I reaffirm that the new model of care is recommended by a group of neonatal experts and is firmly based on clinical advice, which shows that the most preterm and sickest babies do best when they are cared for in larger, specialist neonatal units, which look after a lot of those babies and have specialist staff and services available on site to give them the very best care. We are doing that to give babies who are born at the extremes of prematurity the best chance of survival. I believe that that is what every parent wants for their baby.

The Deputy Presiding Officer: Martin Whitfield has a brief supplementary question.

Martin Whitfield (South Scotland) (Lab): Will the minister confirm whether the clinical analysis and advice that she was given is about what is right for the baby, the baby and the mother, or the family?

Jenni Minto: The advice that I have received is from experts on looking after babies in a neonatal care situation. That advice has always looked at the baby in the round, and that is why we continue to ensure that I get the right advice from the right groups of people to move the work forward.

Health and Social Care Services (Impact of Inflation)

4. **Gordon MacDonald (Edinburgh Pentlands) (SNP):** To ask the Scottish Government what assessment it has made of the impact of inflation on health and social care services in Scotland. (S6O-03600)

The Cabinet Secretary for Health and Social Care (Neil Gray): Spiralling United Kingdom inflation has had a devastating impact on all public services, including health and social care. In spite of that, we have provided more than £19.5 billion for the health and social care budget, which gives our national health service a real-terms uplift.

Despite that investment, the system is under extreme pressure as a result of the on-going impacts of Covid, Brexit, inflation and the UK Government's spending decisions. Therefore, hard choices, greater efficiencies and savings will need to be made. We regularly assess inflation and the impact on health and social care services, and that features in the development of the Scottish public sector pay policy.

Later this summer, we will publish our health and social care portfolio medium-term financial framework, which sets out expected inflation levels, linked to the gross domestic product deflator rates, and that will be updated annually as new information becomes available.

Gordon MacDonald: Not just inflation but years of UK Government spending cuts have continued to have a detrimental impact on the Scottish Government's ability to provide the level of funding that our health and social care services deserve. The cabinet secretary highlighted the impact of the UK Government cuts to our budget. Does he envisage that we can protect our public services, such as the NHS, from increased privatisation and future cuts?

Neil Gray: Gordon MacDonald is right—a decade and a half of Tory austerity has had a clear impact, and it is becoming harder and harder for us to continue to mitigate that. The UK Government has ignored the calls from this Government to prioritise investment in public services and infrastructure. Although I welcome the additional resource funding that was received at the spring budget, the £237 million that was provided is only around half of the £470 million of consequentials from 2023-24, which have not been baselined in full into 2024-25.

That is clearly a disappointing situation, which sets a challenging fiscal context. It also serves to illustrate the continued short change that the Labour Party has offered, of just £134 million in additional health funding for the Scottish Government.

The UK Government's figures show that Department of Health and Social Care funding for 2024-25 is 0.2 per cent less in real terms than it was in 2023-24, while we have provided a real-terms increase of 3 per cent. That is just one example from a resource perspective. I could also point to the capital side and show why Wes Streeting was absolutely right when he said that the pressures in Wales are because

"all roads ... lead ... to Westminster".

The Deputy Presiding Officer: Question 5 is from Bob Doris, who joins us remotely.

Baby and Child Immunisation Programmes (Uptake)

5. **Bob Doris (Glasgow Maryhill and Springburn) (SNP):** To ask the Scottish Government whether it will provide an update on

the levels of uptake for baby and child immunisation programmes, including any emerging trends. (S6O-03601)

The Minister for Public Health and Women's Health (Jenni Minto): Quarterly and annual childhood immunisation rates across Scotland remain high, which reflects the hard work and commitment of our colleagues in the national health service and the recognition of the benefits of vaccination. However, there have been decreases in uptake compared with previous years—a trend that has been observed globally.

We are working with Public Health Scotland and health boards to improve vaccination uptake, address health inequalities and support those who are eligible for vaccination. We urge parents and guardians of young children, when invited, to bring them for vaccination in order to give them the best protection against serious disease.

Bob Doris: The sharp increase in whooping cough cases, with 3,650 cases confirmed in the first half of 2024 in Scotland and, sadly, deaths in England, highlights the vital importance of childhood vaccinations, as well as—in this case—vaccinations for pregnant mums. More generally, vaccinations offer protection from a variety of dangerous conditions. Although immunisation rates remain high, as pointed out by the minister, they are dipping. Will the Scottish Government outline how it seeks to ensure that we maintain high levels of uptake across society, including, for instance, in lower-income areas in my constituency of Maryhill and Springburn and among groups with a history of vaccine hesitancy?

Jenni Minto: This morning, I met representatives of the Scottish vaccination improvement programme, which is a partnership between Public Health Scotland, health boards and the Scottish Government. We were talking about exactly that—the importance of vaccination as one of the most effective public health interventions that we can make throughout our population.

As Mr Doris highlighted, an increase in cases of pertussis illustrates the importance of health boards continuing to promote the benefits of vaccines and ensuring that access to vaccines is straightforward, timely and equitable. Public Health Scotland has developed a range of social media toolkits and has translated advice into a number of languages to support that work, and it is working with health boards and the available data to target efforts where they are most needed—for example, in areas of deprivation, where uptake might be lower.

As I have said, parents and guardians also have a vital role by bringing children forward for immunisation when they are called, to ensure that they get the best protection. We as elected members can also promote that.

The Deputy Presiding Officer: There are a couple of supplementary questions. I will try to get them both in, but they will need to be brief, as will the responses.

Foysol Choudhury (Lothian) (Lab): It is known that immunisation rates are lower among those living in more deprived areas and in black and minority ethnic communities because of various factors, including a lack of trust and a lack of information. What measures is the Scottish Government taking to increase uptake of vaccines by those groups?

Jenni Minto: Mr Choudhury raises a very important point. Although not specifically with regard to vaccinations, I have met BME communities with regard to organ donation and such like. I shared that at the meeting that I was at this morning.

It is incredibly important that we reach all groups. As I said in response to Mr Doris's question, our social media content has been translated into a number of languages.

Carol Mochan (South Scotland) (Lab): My question is in a similar vein to my colleague Foysol Choudhury's question on the more likely lower vaccination rate in more deprived areas. I am interested in knowing whether the minister thinks that we could do more cross portfolio to ensure that uptake in those areas reaches the level that exists across the rest of Scotland.

Jenni Minto: I agree with Carol Mochan that there is work to be done, and we are working cross portfolio to improve healthcare in areas that face inequalities. I would be happy to work not only cross portfolio but cross chamber and to meet Ms Mochan and Mr Choudhury to discuss the matter further.

Scottish Ambulance Service (Scheduled Care Transport)

6. **Alex Rowley (Mid Scotland and Fife) (Lab):** To ask the Scottish Government what action it is taking to ensure that scheduled care transport provided by the Scottish Ambulance Service is accessible to all patients who need it. (S6O-03602)

The Cabinet Secretary for Health and Social Care (Neil Gray): The Scottish Government recognises that transport plays a key role in supporting patients' health journeys, and it prepared the transport to health delivery plan in summer 2023. The plan outlines 16 commitments across health and social care and for Transport Scotland.

The Scottish Ambulance Service plays a key role in supporting patients to access healthcare appointments. It carries out a needs-based assessment for each patient to determine eligibility for clinical support during transfer to appointments. The assessment helps to ensure that the transport service is available to all those patients who need it.

Alex Rowley: I raise that question because, in recent months, quite a number of constituents have told me about their difficulty in accessing transport services. For example, one lady from Fife who had to attend Edinburgh for radiotherapy was told that she did not meet the eligibility criteria. The woman, who was in her 80s, was told to use public transport. Each leg of the journey would have meant taking three buses. She physically was not able to do that. Will the minister look at such issues? Has the eligibility criteria been changed? The woman being told that she was not eligible because the criteria had changed came as a shock to her cancer nurse. Is that simply a case of cuts by the back door?

Neil Gray: I thank Alex Rowley for raising that incredibly serious issue, especially as we represent rural communities, where people need to be able to access healthcare services in an equitable fashion. We must ensure that our patient transport system works effectively.

To directly address his last question: no, it is not. It is obvious that the Scottish Ambulance Service continually reviews patient eligibility. It is right that it does so, as patients' eligibility will change based on their fluctuating circumstances. However, it is also right that the Scottish Ambulance Service takes into account the patient's condition and bases its decision on that.

I do not have the full details of the case that Mr Rowley raises, but I am concerned about it. I ask for more detail to allow me to interrogate the matter further, so as to ensure that people can equitably access the healthcare services that we want to be delivered to them.

Alexander Stewart (Mid Scotland and Fife) (Con): I want to ask the cabinet secretary about the access to and the availability of the patient transport online booking service. The service has been and continues to be well used, but, as we have already heard, there are logjams in the system and the service is experiencing difficulty in fulfilling all bookings in some parts of the country. Will the cabinet secretary comment on that?

Neil Gray: That is not a situation that I have had communicated to me as yet. If Mr Stewart has particular examples with which he would wish to furnish me so that I can investigate further, I would be happy to do so and reply in writing on the basis of the findings.

Ambulance Turnaround Times

7. **Liam Kerr (North East Scotland) (Con):** To ask the Scottish Government whether it will provide an update on what action it is taking to tackle long ambulance turnaround times. (S6O-03603)

The Cabinet Secretary for Health and Social Care (Neil Gray): The Scottish Ambulance Service continually engages with health boards, while optimising services including flow navigation centres and the integrated clinical hubs, which provide care for patients at or near home, reducing pressure on accident and emergency departments.

The call before you convey protocol is being used and cohorting areas have been established at sites that are facing challenges, ensuring that ambulance crews are freed up during high-demand periods.

Liam Kerr: People in the north-east were shocked to read reports of a 96-year-old woman waiting outside Aberdeen royal infirmary for nine hours due to ambulance stacking. By the time that she was admitted, she had not eaten for 14 hours. We must be clear that everyone from the ambulance crew to the hospital staff did their jobs well, but the turnaround times that they are expected to work with, which are already unacceptable, are becoming unbelievable.

After 17 years of the Scottish National Party being in charge of our national health service, what is the cabinet secretary doing specifically at the ARI to prevent stacking? Does he think that it is acceptable to have elderly patients starving and in agony for hours with help just out of reach?

Neil Gray: Clearly, the example that Liam Kerr cites is unacceptable. There is no defending that, and I apologise to the patient and their family for the situation that they have endured.

On the direct action that we are taking with NHS Grampian on the pressures in the ARI, I have asked for an improvement plan that will address the pressures in the accident and emergency department and throughout the hospital. There are pressures not just for our ambulance service in accessing the hospital but for the flow through the hospital.

We are also taking direct action with a joint mission with the Convention of Scottish Local Authorities on reducing delayed discharge, because our hospital occupancy across Scotland is too high, and that is stopping the flow through the hospital.

It is also fair to say that ambulance stacking is not a unique phenomenon, either to the ARI or to Scotland. Further, the situation is faced elsewhere in the United Kingdom. That is not to say that it is

okay to experience that in Scotland; it is just reflective of the fact that there are significant pressures on our health and social care services across the UK—

The Deputy Presiding Officer: Thank you, cabinet secretary. I want to get in a supplementary question.

Kenneth Gibson (Cunninghame North) (SNP): Can the cabinet secretary confirm that, despite fiscal constraints as a result of Westminster Tory cuts, the Scottish Government provided £349.2 million to the Scottish Ambulance Service this year, which is an increase of £15 million on the previous year? Will he provide details of how that funding will be used to recruit additional staff to increase capacity and improve the service?

Neil Gray: The Scottish Government recognises the extreme pressure that the system is under, as a result of the on-going impacts of Covid, Brexit and inflation, as well as the UK Government's spending decisions. We have therefore provided almost £550 million of additional investment to front-line NHS boards as part of the 2024-25 Scottish budget.

The Scottish Ambulance Service received £15 million of that increased investment, taking its funding to nearly £350 million to support the delivery of its services, and we continue to invest in the Scottish Ambulance Service workforce. We have provided funding of £45 million on a recurring basis in 2023-24 to support increases in the board's capacity. That includes funding for the recruitment of 1,388 additional staff since 2020, 230 of whom were recruited in 2023-24.

Child and Adolescent Mental Health Services (NHS Fife)

8. **Roz McCall (Mid Scotland and Fife) (Con):** To ask the Scottish Government what action it is taking to reduce waiting times for CAMHS in NHS Fife. (S6O-03604)

The Cabinet Secretary for Health and Social Care (Neil Gray): We continually monitor CAMHS waiting times performance, engage with all boards—including NHS Fife—and direct tailored support to the boards with the longest waits, providing access to professional advice.

In recent months, NHS Fife has made improvements in its waiting list for CAMHS. Between June 2023 and the end of March 2024, when the latest statistics were published, there was a 25 per cent decrease in the waiting list and a 41 per cent decrease in the number of patients who wait more than 18 weeks. That is to the credit of the staff in Fife, who should be commended for their hard work in achieving that.

Boards were allocated £55.5 million in 2023-24 via the mental health outcomes framework to improve the quality and delivery of mental health services, including CAMHS, in addition to the core funding that health boards receive.

Roz McCall: I thank the cabinet secretary for that response, and I know that he is highlighting improvements, but there is a mental health crisis among our young people. The Scottish Government has repeatedly pledged action, but, when we look at the other stats, we see that nothing has changed.

NHS Fife's latest data, from March 2024, shows that there are still 41 young people waiting up to 35 weeks for a follow-up appointment following a referral; that figure has barely moved from the 47 young people who were waiting for more than 35 weeks in March last year. Even more worrying is the fact that, during the same period, 31 per cent of referrals were rejected altogether, leaving many to seek help from charities, and that is almost identical to the 33 per cent that was recorded in the previous year.

The Deputy Presiding Officer: What is the question?

Roz McCall: That is another year gone by. When will the Scottish Government stop promising and actually do something?

Neil Gray: I thank Roz McCall for her question and for the attention that she is putting on the importance of the investment that we are making in child and adolescent mental health services. We have increased investment and we have increased support through the workforce.

On the figures that Roz McCall quoted of those who are waiting 19 to 35 weeks, that number was 70 in June 2023, and it was 41 in March this year. Clearly, for the people who are waiting that length of time, that is not acceptable, but we are seeing an improvement in those services. It is not fair to say that the decisions that we have taken have had no impact. They are having an impact.

It is also not fair to say that having their referral rejected means that there is no help or support for those children. As a specialist service, CAMHS will be the right support for only a small proportion of children and young people. The national CAMHS specification includes a clear expectation that children and young people whose referral is not accepted are sensitively and appropriately signposted to more suitable services.

We are investing and we are making improvements. I want to see those improvements happen faster, which is why—

The Deputy Presiding Officer: I will take a very brief supplementary question. It will need to be brief, as will the response.

Paul Sweeney (Glasgow) (Lab): The Psychotherapy and Counselling Union met me today and raised the point that there are often no other routes of referral apart from CAMHS. Loading pressure on to CAMHS is part of a vicious cycle, which includes cuts to mental health spending across the board in community settings, primary care settings and educational settings. Is that not compounding the pressure that we are seeing, not just in CAMHS but across our mental health services and the NHS?

Neil Gray: There has been no cut to mental health services—I do not know where Paul Sweeney is getting that from. There has been a substantial increase—a near doubling—in the funding that is available for mental health, and a clear investment has been made in CAMHS. That is why there is an increase in the workforce supporting CAMHS referrals and why there is better referral-to-treatment performance. It is not where we want it to be, but it is the best performance that we have had in a decade.

I am very grateful to the front-line staff who are working so hard and performing so well to ensure that we are providing those services to the children and young people who need them.

The Deputy Presiding Officer: That concludes portfolio questions on NHS recovery. There will be a brief pause before we move to the next item of business.

Greenhouse Gas Emissions Statistics 2022

The Deputy Presiding Officer (Annabelle Ewing): The next item of business is a statement by Màiri McAllan on 2022 greenhouse gas emissions. The cabinet secretary will take questions at the end of her statement, so there should be no interventions or interruptions.

14:50

The Cabinet Secretary for Net Zero and Energy (Màiri McAllan): The First Minister has made tackling the climate crisis one of his top priorities. The reasons are well rehearsed, but we must always remind ourselves why that is so critical. The twin crises of climate change and biodiversity loss are among the greatest global challenges of our time. Action to address the scale and pace of the emergency is an environmental imperative, a moral necessity, an economic opportunity and a top priority for the Government. It is against that background that I update Parliament on the latest progress on Scotland's statutory climate targets.

Official statistics that were published yesterday show that Scottish emissions in 2022 have reduced by 50.0 per cent since 1990. That is a reduction of 0.1 per cent on our position in 2021 and means that we are exactly halfway to net zero. Using comparable metrics, we can see that Scotland has made the largest emissions reduction in the United Kingdom between the 1990 baseline and 2022, with a reduction of 50.1 per cent, while emissions in England fell by 49 per cent, followed by Wales at 36.5 per cent and Northern Ireland at 25.9 per cent. Scotland has also decarbonised much faster than the European Union 27 average, using comparable EU statistics.

Despite that, today's statistics mean that we have not met the 2022 target of a 53.8 per cent reduction from baseline. Some sectors saw significant reductions in 2022, including buildings, and there were more modest reductions in agriculture and industry. However, there was a rise in transport emissions, particularly from international aviation and shipping, resulting from a rebound following Covid-19. The 2022 data from the UK reflects a similar picture. Once UK data is adjusted to include international travel, which is routinely included in Scottish but not UK data, the UK also showed a 0.1 per cent decrease in 2022, and Scotland still outperforms the UK.

Certain sectors have led that decarbonisation in Scotland. Electricity supply emissions have fallen by 88.1 per cent on baseline, with industrial emissions falling by 56.8 per cent and waste emissions falling by 75.4 per cent. We were

among the first to take early bold action, and we are continuing to lead in responding to the climate crisis. Indeed, 63 per cent of new woodland in the UK was created here in Scotland between 2022 and 2023—more than the other UK nations combined—and Scotland is becoming a renewables powerhouse, with more of our electricity generation coming from zero-carbon sources than ever in 2022.

We are now in the second half of our journey to net zero. It is more challenging, and we are abundantly clear on the need to empower individuals, communities and businesses in that journey. Indeed, in Scotland, we have enshrined in law both the need to achieve net zero by 2045 and the need to do so in a way that is fair.

Reaching net zero is mission critical—there is no doubt of that—but we must guard against underplaying the magnitude of what is required to achieve it. Regrettably, in political discourse, some voices underplay the necessity of tackling climate change, while others underplay the complexity of doing so. Neither of those serves us well. For me, Scotland will always have a whole-hearted commitment to delivering what we need to do to address the emergencies, and a determination that the transition will be planned and well managed and that our people will benefit.

I must make it clear that, in Scotland, our task is more difficult because we lack the full powers. For example, we know that, although our economy will ultimately benefit from decarbonisation, the up-front cost of net zero is significant. Independent analysis by the Scottish Fiscal Commission tells us that the cost is particularly high in Scotland. Despite that, the UK Government has instituted a real-terms cut to our capital funding of almost 9 per cent over five years. That is utterly wrong headed and it must be reversed. Similarly, there are critical areas where the UK Government holds the power over Scotland and where only it can act but where, at this critical moment, it is failing to do so—in relation to technologies such as carbon capture and storage and in decarbonising buildings or transport—at the pace that is required.

I hope that the new Government at Westminster will show greater commitment to climate change. I will work with ministerial counterparts to achieve progress, but we will not settle on hope alone. That is why, despite the exceptional budgetary pressures on Scotland, in this financial year alone, we are committing £4.7 billion for activities that will positively impact delivery of our climate goals. It is why legislation that is completing its parliamentary passage this week will drive forward climate progress. That includes, of course, the Agriculture and Rural Communities (Scotland) Bill, which passed at stage 3 yesterday. Scotland's farmers, crofters and land managers already play a critical role in cutting emissions, and the bill will allow them to increase their contribution while continuing to produce world-renowned food sustainably.

Likewise, the Circular Economy (Scotland) Bill, which is currently at stage 3, will provide the legislative framework to develop a circular economy alongside powers to set local recycling targets and a new code of practice for waste and recycling service. That builds on Scotland's strong record in reducing waste emissions, where the total amount of waste going to landfill has nearly halved over the past decade and the overall recycling rate is at its highest level since records began in 2011.

Those bills, which are passing now, demonstrate that the Government is acting now to make the change necessary. However, we know that continual challenge and progress is what the climate emergency demands of us. Therefore, we are always looking forward, including to the complex matter of heat in buildings. Our new-build heat standard currently means that no buildings constructed under a building warrant from 1 April 2024 will have polluting heating systems. We recently consulted on bold proposals to end the use of polluting heating systems after 2045 and to introduce a minimum energy efficiency standard for all homes. Responses to our plans for a heat in buildings bill, which the Climate Change Committee said could be a template for the rest of the UK, are currently being analysed ahead of confirming next steps.

Climate change requiring

"everything, everywhere, all at once",

as Antonio Guterres put it, is why, on top of all that work, on 18 April I also announced a new package of climate policies. That includes that we will publish a new route map for delivery of approximately 24,000 additional electric vehicle charge points by 2030, with support for rural areas and low-income groups, and plan an integrated ticketing system for all modes of public transport. In agriculture, we will take forward a pilot on methane-suppressing feed products and additives and, this autumn, we will publish our route map to a 20 per cent reduction in car use, supporting local authorities to take appropriate action in their area.

That is just some of what the Government is doing, and it is not to mention our biodiversity delivery plan, marine protected areas, Land Reform (Scotland) Bill, onshore wind sector deal and hydrogen action plan and the strategic investment in offshore wind that we are currently making, which is worth up to £500 million over five years.

As I have previously said in the chamber, the Scottish Government recognises the Climate Change Committee's analysis this year and in

2019 that the interim 2030 target, set by Parliament on a cross-party basis, is beyond what can be achieved. I was not in Parliament at the time, but I share the view, expressed by all parties then, that setting an interim target beyond what was believed to be achievable has emphasised the importance of the journey and has helped to accelerate action in the meantime. It has certainly done that.

Since 2019, we have launched the world's largest floating offshore wind leasing round and moved to ban some of the most problematic single-use plastics. We have restored around 75,000 hectares of degraded peatland, created four low-emission zones, deployed the most comprehensive network of public EV charging infrastructure in the UK outside of London, designated 37 per cent of our waters as marine protected areas and, internationally, helped to break a 30-year impasse on funding for loss and damage.

However, just as any good climber will not be fixed on one route to a summit, we must be prepared to try new paths if experience demands it. The summit remains our goal; I will not allow it to be jeopardised by committing to a pathway that is not feasible. That is why I confirmed on 18 April that the Government would bring forward legislation as soon as practicable to ensure that our emissions pathway takes us to 2045 on the basis of the latest advice from the committee.

Today's statistics reinforce what the CCC has confirmed to us in recent correspondence, namely that annual emissions and targets are highly susceptible to unexpected events. Our route to 2045 needs to be receptive to the non-linear realities of long-term decarbonisation. Consequently, our legislative proposals on a new emissions reduction framework will include establishing five-yearly carbon budgets. As the CCC recently set out to the Net Zero, Energy and Transport Committee, annual fluctuations are smoothed within multiyear budgets, which, therefore, provide a more reliable indicator of progress.

We are working with the parliamentary authorities to ensure that the bill is introduced as soon as possible after recess, and we have begun engaging with the convener of the NZET Committee to support its scrutiny of the bill. Thereafter, we will work towards our next climate change plan, founded on the CCC's advice on a revised pathway to 2045 for Scotland.

We have now reduced our emissions by 50 per cent from the 1990 baseline, and the Government is resolutely focused on the next 50 per cent and achieving net zero.

The Deputy Presiding Officer: The cabinet secretary will now take questions on the issues that were raised in her statement. I intend to allow around 20 minutes for questions, after which we will move on to the next item of business. I ask those members who wish to ask a question to please press their request-to-speak button.

Graham Simpson (Central Scotland) (Con): I thank the cabinet secretary for giving us plenty of advance notice of what she was going to say today, but what an embarrassment this is for this Government. The cabinet secretary has tried to put a positive spin on this, but it is fooling no one. The Government has failed yet again to meet its greenhouse gas emissions targets, and SNP ministers have now missed nine of the past 13 annual targets for tackling climate change. That is shocking. You can see why they want to do away with such inconveniences.

The cabinet secretary obviously has a sense of humour. She mentions trying to find new routes to the summit, but she is not even in the foothills. If she thinks that the Circular Economy (Scotland) Bill is going to make any difference, she has not been following its progress. She has a cheek to mention woodlands when the budget for woodland planting has been cut. Domestic transport is the largest source of greenhouse gas, and emissions have gone up.

Let us have a look at some of the things that she mentions in the statement. First, there is a new route map for EV chargers. The Climate Change Committee has suggested that we need 280,000 of those across the UK by 2030, which would amount to roughly 30,000 in Scotland—not 24,000. When are we going to see that route map?

She has a cheek to mention an integrated ticketing system, which was first promised in 2012.

Maurice Golden (North East Scotland) (Con): In 2012!

Graham Simpson: In 2012. When exactly are we going to see that? How can we have any confidence at all that this Government will hit the new 2045 target when it has failed so miserably?

Màiri McAllan: Sadly, that was a typically cynical take on an important issue on which Graham Simpson's party has absolutely zero credibility. I remind him that Scotland is halfway to net zero, ahead of the UK average and ahead of the EU27 average when we use comparable statistics. I am extremely proud of that record. In my statement, I spoke about some of the interventions that the Government has led that have taken us to this point.

I will pick up on one aspect that Graham Simpson highlighted: woodland creation. In the

past five years, Scotland has created around 75 per cent of all new forests in the UK. Seventy five per cent of all trees going into the ground across the UK and Scotland have been planted in Scotland. They are sequestering carbon, supporting jobs in rural communities and feeding in to our construction sector.

However, the funds that the Government has been able to invest in woodland creation in this financial year have been curtailed because of the up to 9 per cent cut in our capital budget that Graham Simpson's party at Westminster oversaw. If he is concerned about the funding that the Government has at its disposal for investment in important projects such as woodland creation, I ask him to have a word with his colleagues in Whitehall. [*Interruption*.]

The Deputy Presiding Officer: When a member is speaking, we do not need a lot of muttering from other members from sedentary positions. I am not looking at anybody in particular.

Sarah Boyack (Lothian) (Lab): I thank the cabinet secretary for advance notice of her statement.

For years, the UK Climate Change Committee has been warning that the Scottish Government has not been ramping up the action that is urgently needed to tackle our climate emergency. Today's statement is, as ever, highly selective in greenwashing the SNP's achievements. It did not mention that the SNP Government failed to deliver the £133 million that it budgeted to retrofit homes, bring down people's bills and reduce their emissions. Since the Transport (Scotland) Act 2019 was passed, the Government has failed to deliver the transformation in bus services that we need, which means that many people are forced to use cars, as there are simply no affordable bus services available. We have been waiting months for the energy strategy, the green industrial strategy and the climate change action plan.

Given that this is the ninth time in 13 years that the Scottish Government has failed to deliver, when will climate activists—who are angry, disappointed and worried that this continual failure leaves Scotland's credibility in serious jeopardy—see the radical action that we urgently need?

Màiri McAllan: In overseeing the Government's work to tackle climate change, I have always been proud of what we have managed to deliver. I spoke about a number of the key deliverables in my statement, and I will continue to do so, because those things do not just happen—they require exceptionally hard policy development and the use of scarce resources.

However, I have also always said that I will never say that that is enough, because the twin crises of the climate emergency and biodiversity decline mean that no Government, no organisation, no business and, really, no individual can say that they are doing enough until, as a community of nations, we have reached net zero and turned the tide on the issue.

I commit to Sarah Boyack that the Government is, as I set out in my statement, continuing to work across the piece, using every lever that we have at our disposal, to reduce emissions at the pace that is required. I also said in my statement how keen I am to work with the incoming Westminster Government to ensure that we collaborate across the United Kingdom. I say sincerely that, when Labour forms the next Government in England, as I think it will, I hope that it will think very seriously about the commitment that it made to invest £28 billion in green activities. That commitment appears to have been dropped, but the consequences of such investment would make a big difference to the work that we could do in Scotland.

Rona Mackay (Strathkelvin and Bearsden) (SNP): The UK Government has continually failed to take urgent action on reserved matters, including carbon capture, utilisation and storage; hydrogen; electricity grid infrastructure; and the decarbonisation of gas. We are not only dealing with the continuing constraints of devolution but facing severe budgetary restrictions that are imposed by the UK Government. Does the cabinet secretary agree that Scotland would be better positioned to fight climate change if it had the full powers and financial levers of an independent nation?

Màiri McAllan: I absolutely do. That goes back to the point that I made in my statement. Although tackling climate change is critical, we do no one any favours by underplaying the scale of what is required to meet our targets. There needs to be transformation in every aspect of our economy and society, and when we, as a devolved Government, try to deliver that, it is like having one hand tied behind our back, particularly when, in recent years, the UK Government has backtracked on some critical interventions and, as I said, has cut our capital budget by failing to inflation proof it.

Carbon capture and storage is a critical example of that. It is inexplicable that the Scottish cluster was not supported in track 1, and it is unacceptable that, now that it is included in track 2, we are all left wondering what progress is being made. I urge the UK Government to reverse the cut to Scotland's capital budget and to get a move on with the delivery of CCUS, particularly in relation to the Scottish cluster.

Maurice Golden (North East Scotland) (Con): Going back to the Scottish Parliament, the repeated failure to meet emissions targets risks eroding public trust in climate action, as does the

mounting list of other failed policies, from recycling to renewable heat to biodiversity, all of which are the responsibility of the Scottish Government. Watching ministers trying to blame those failures on others instead of taking responsibility only compounds the problem. To ensure responsible environmental governance and restore public trust in climate action, is it not time that we had an independent environmental court in Scotland?

Màiri McAllan: I refer Maurice Golden to the papers that the Scottish Government recently published on the question of an environmental court. As we are required to do under the UK Withdrawal from the European Union (Continuity) (Scotland) Act 2021, we explored whether environmental governance would be improved or otherwise by the presence of an environmental court, and the Government's evidence on that is set out in the papers.

I remind the member that what erodes public trust in climate progress—something that is very important to the public at large—is people such as Rishi Sunak, his party leader, failing to deploy onshore wind in England while, at the same time, fighting to open new coal mines and create culture wars. We all remember when the Prime Minister stood outside Downing Street and, while dropping a raft of really important commitments on transport and heating buildings, talked about ludicrous things such as removing recycling bins and protecting people from having six or seven recycling bins. That is just nonsensical. It creates culture wars and does absolutely nothing for the progress that we all have to work hard towards collectively, which I think the public want to see us do.

Audrey Nicoll (Aberdeen South and North Kincardine) (SNP): In her statement, the cabinet secretary referred to shipping emissions. Earlier this year, Scottish Enterprise was a key stakeholder in supporting Smart Green Shipping, which is a developer of an innovative retractable wingsail that is estimated to save commercial shipping companies up to 30 per cent fuel per year. Does the cabinet secretary agree with the founder of Smart Green Shipping, Diane Gilpin, who said:

"There are no other countries that support innovative climate technology companies at an early stage like Scotland."?

Màiri McAllan: Before I come on to the substance of Audrey Nicoll's question, I should say that it is a really important one for her to have asked, given that the 2022 statistics demonstrate that some of the bounce-back in transport emissions was from shipping in particular. It is worth reminding members that Scotland includes international aviation and shipping in our inventory whereas England does not. *[Màiri McAllan has corrected this contribution. See end of report.]*

I agree that Smart Green Shipping's work is typical of the type of economic opportunity that our just transition to net zero affords Scotland as the ideal test bed for new green technology. Investment and such new technology will enable companies that are based here to seize those opportunities and help innovative businesses to grow and thrive here at home and across the world.

Alex Rowley (Mid Scotland and Fife) (Lab): Despite the positive spin, the statement is a statement about failure, and it should be acknowledged as such.

In the early days, the Scottish National Party Government went for the low-hanging fruit, as it would be described. Indeed, the decarbonisation of electricity had more to do with Scottish Power shutting down Longannet than any decisions that the Government made.

Is the problem that the Government does not have joined-up policy and joined-up thinking? For example, we will cut car kilometres by 20 per cent while, at the same time, halting the £500 million bus partnership fund. There is that kind of failure. Do we not need to see more joined-up government if we are ever going to have a chance of achieving the targets?

Màiri McAllan: Alex Rowley mentioned the capital funding for the bus partnership fund. I am afraid that, much like other capital funds with which cabinet secretaries had to wrestle in this year's financial settlement, it has suffered from the up to 9 per cent capital cut that we face in our budgets, thanks to the UK Government.

With all due respect to Alex Rowley, I do not consider the work that the Government and the Scottish Parliament have undertaken in the past number of years since declaring an emergency as "low-hanging fruit". I do not consider the world's largest floating offshore wind commercial leasing round to be low-hanging fruit, and nor do I consider the UK's most generous concessionary bus travel scheme, the new low-emission zones or having the most comprehensive network of EV charging in the UK outside London as low-hanging fruit.

What I do accept is that the climate emergency is such that it requires continual challenge and continual work across the board, and the Government is determined to do that. In particular, some of the actions that we will take forward in the climate bill will allow us to continue to deliver as we have been doing over a number of years.

The Deputy Presiding Officer: I have a number of members still to call, and I would like to

do so, so I ask members to pick up the pace just a little bit.

I also ask members to have the courtesy not to have all this muttering going on when somebody has the floor. Thank you.

John Mason (Glasgow Shettleston) (SNP): The Opposition parties claim that they are interested in climate change, and yet, when we come up with practical examples, as the cabinet secretary mentioned in her statement—around transport, for example—they oppose those. They oppose the workplace parking levy and low-emission zones and, on recycling, they oppose the deposit return scheme. Does the cabinet secretary find the Opposition parties' attitude hypocritical or helpful?

Màiri McAllan: In the spirit of constructive working across the chamber, I would say that there are a number of examples of where cross-party working has been very successful, but there are other examples of where it has not been, and John Mason is right to highlight them.

When the Parliament, in 2019, set the 75 per cent target for 2030—one which advice told us at the time was beyond any of the five scenarios that the UK CCC could pull together—my predecessor, Roseanna Cunningham, said to members that that would require close cross-party working and a real commitment across the chamber to pull every lever that we would have to use in order to meet those targets. Unfortunately, that has not always happened, and even modest measures that the Scottish Government has sought to bring forward have not been supported—John Mason listed some of them. I hope that the new climate bill can be a point at which to reset.

Mark Ruskell (Mid Scotland and Fife) (Green): I will give the cabinet secretary another practical example. In 2005, the Parliament's first inquiry into climate change proposed the introduction of road user charging, with a target date of 2015. We are now 10 years on from that, and there is still no fair way to raise revenue to invest in public transport while at the same time managing down demand for private car usage.

Does the cabinet secretary agree that the year 2022, to which her statement refers, when we were coming out of the Covid-19 pandemic and private car usage was so low, was a missed opportunity for us to start to break our dependency on car usage? We cannot afford any more missed opportunities. All the ideas and policies are there; what is lacking is action from councils and from the Scottish Government to bring in demand management and drive down emissions while driving up investment in public transport.

The Deputy Presiding Officer: Cabinet secretary, I think that there was a question there.

Màiri McAllan: Mark Ruskell raises an important point. Transport remains the highest emitter in Scotland. I mentioned in my statement that we will publish in autumn this year a route map to achieving a 20 per cent reduction in car kilometres driven. The Cabinet Secretary for Transport, who is sitting beside me, is currently taking that forward.

The only point that I would add is that it is very important that, as we seek to reduce car kilometres driven, we do so in a way that is locally appropriate. Suitable solutions for inner-city areas, for example, will be very different from those for our rural areas, where private cars, and EV private cars, will remain an important facet of life.

Liam McArthur (Orkney Islands) (LD): Despite the spin, the statement confirms that Scotland's progress to net zero is at a standstill. The cabinet secretary is right in her criticism of some for denying the necessity and others for denying the complexity of achieving net zero. However, given the UK CCC's repeated warnings of the need for both of Scotland's Governments to work together, does she believe that our chances of getting back on track are enhanced by her and her SNP colleagues making climate policy yet another constitutional battleground?

Màiri McAllan: My colleagues and I have not, and will not, make climate policy a constitutional battleground. I am afraid that, from our experience in recent years—as the First Minister reflected on this morning, in particular during the Boris Johnson Government and in the years since then—there is no doubt that relations between the Scottish Government and the UK Government have been poorer. The First Minister described it as a lack of respect—that is coming from a man with long experience of intergovernmental relations across the UK.

Regardless, I have made it very clear that I expect there to be a new UK Government. The Tories' track record on climate change, among a plethora of issues, will see them removed from Downing Street. My colleagues and I will work with the incoming Government, and climate change will be one of our top priorities.

Jackie Dunbar (Aberdeen Donside) (SNP): We know that restoring damaged peatland is a cost-effective way to reduce carbon emissions in Scotland. Earlier this month, we celebrated over 10,000 hectares of damaged peatland restoration. However, although the UK Government continues to benefit from Scotland's peatland and forestry potential, the weight of that work still falls on Scotland. Does the cabinet secretary agree that it is only right and fair that the UK Government should contribute towards a fair funding agreement in that area?

Màiri McAllan: I am a significant advocate of peatland restoration. That is one of the clearest win-win-wins of our journey to net zero, not only in sequestering significant amounts of carbon but in creating jobs in our rural communities. I am pleased that in, 2023-24, we restored over 10,000 hectares of degraded peatland. That was a 38 per cent increase on what we restored the year before.

Jackie Dunbar is absolutely right that the weight of the responsibility for payment for those areas of land use change and forestry falls disproportionately on Scotland. That is why the 9 per cent cut to our capital budget is so damaging and why I once again urge the UK Government to reverse Scotland's capital budget cut.

The Deputy Presiding Officer: I call Douglas Lumsden, who is joining us remotely.

Douglas Lumsden (North East Scotland) (Con): CCUS has been mentioned. The devolved Scottish National Party Government announced £80 million for CCUS in its budget over two years ago, but not a single penny has been spent. Does the cabinet secretary agree that the money that was pledged could be being spent now to allow business to get ready to decarbonise, or was that announcement of money another broken promise to the north-east of Scotland by the SNP?

Màiri McAllan: I am afraid that that is another example of the Conservatives' brass neck. Douglas Lumsden has asked me a question about funding CCUS when it is his party in government in the UK that has the powers to deploy CCUS. Every observer, political and neutral alike, would say that the UK Government's treatment of the Scottish cluster—not including it in track 1 and dragging its feet on track 2—has been utterly inexplicable. We will support the Scottish cluster and CCUS, including financially, once its track status is confirmed. I will probably have to wait for a new Government to take that forward.

Emma Harper (South Scotland) (SNP): Under the SNP, any transition to a climate-conscious Scotland will leave no one behind. Does the cabinet secretary agree that a just transition is of the utmost importance and that it must build on the voices of Scotland's communities, workers, union representatives and businesses, along with the voices of agriculture, including those in Dumfries and Galloway?

Màiri McAllan: I absolutely agree with that. That is why I was keen to highlight in my statement that we have two legal obligations in Scotland: to reach net zero by 2045 and to ensure that we do so via a fair transition. That means that the transition is well managed, that our people benefit, and that the opportunities of the journey to net zero, of which there are many, are shared. My colleagues and I are determinedly pursuing that.

Paul Sweeney (Glasgow) (Lab): The cabinet secretary talked about charting a new path. It is perverse that the biggest capital budget allocated to Glasgow in the next few years will be for rebuilding the M8 motorway while the public transport budget for the city has been cut to zero. Does she share my concern about that?

Màiri McAllan: There are very careful and balanced considerations to make about how we invest in transport infrastructure. I know that the Scottish Government, particularly in strategic transport projects review 2, has a framework through which decisions are made.

As I have said, the use of cars—I hope that they will be electric vehicles—will continue to be a facet of how we travel. We must balance that with the need for improved public transport. When funding is allocated for our roads, it is very often for safety, which remains of paramount importance to ministers.

The Deputy Presiding Officer: That concludes questions on the ministerial statement. There will be a short pause before we move on to the next item of business to allow front-bench teams to change positions, should they so wish.

Growing the Economy

The Deputy Presiding Officer (Annabelle Ewing): The next item of business is a debate on motion S6M-13679, in the name of Kate Forbes, on Scottish Government priorities: growing the economy. I call on the Deputy First Minister, Kate Forbes, to speak to and move the motion.

15:25

The Deputy First Minister and Cabinet Secretary for Economy and Gaelic (Kate Forbes): When I took up the role of Deputy First Minister and Cabinet Secretary for Economy and Gaelic—six weeks ago, I believe, although the election has distracted us all somewhat—I was asked about my plans and priorities. I said, and I reiterate it today, that the plan is simple: it is to get the economy firing on all cylinders and to use the engine of economic growth to power a better future.

Although the plan is simple, the prize is enormous. Scotland is a country where growth is recognised as a key enabler of social, economic and cultural progress, and where economic success enables us to eradicate the scourge of child poverty, achieve net zero and provide our public services with the investment that they require in order to save, empower and transform lives.

Today, we publish our latest progress report on the national strategy for economic transformation. We remain committed to its vision of "a fairer, greener and wealthier" economy that works for all the people of Scotland. It is a plan to transform our economy through a relentless climb to the top rather than a self-defeating race to the bottom, and through looking outwards to what can be achieved rather than inwards at what we must not lose.

Scotland's growth needs to be fair, green and sustainable. It should be growth that is defined by a spirit of innovation, in which the traditional bedrocks of our economy—tourism, financial services and food and drink—reinvent themselves for a digital and net zero world. The growth should be founded on the industries of tomorrow, including space, financial technology, life sciences and advanced manufacturing.

The Cabinet Secretary for Health and Social Care and I recently chaired a round table with leaders from the national health service, leading universities and private sector companies that are looking to develop and scale up new products and services in Scotland. They were clear that not only does Scotland have an incredible history of innovation, but it has the people, data, supply chains, enterprise agencies and policy makers that can deliver a future that is every bit as successful as our past.

Liz Smith (Mid Scotland and Fife) (Con): Kate Forbes is correct to say that, but why did the Scottish Government feel the need to cut the budget for the university and college sector, which is instrumental in providing a lot of research, development and innovation?

Kate Forbes: Liz Smith is right that the college and university sector is critical; I am about to talk about education and skills. She will recall that our public finances are under extreme strain, that inflation has eroded our ability to spend and that both of those are products of UK Government and Conservative policies. Based on the figures for inflation that were published this morning and a change to the austerity agenda, my hope is that we might be able to continue to invest in all the public services that matter for Scotland.

Murdo Fraser (Mid Scotland and Fife) (Con): Will the member take an intervention?

Kate Forbes: Why not?

Murdo Fraser: At the launch of the Scottish National Party manifesto this morning—which, I believe, the Deputy First Minister attended—I was intrigued to see that the SNP made spending commitments of £93.8 billion, with tax rises of £70 billion proposed. That leaves a spending black hole of £24 billion. How is that hole to be filled?

The Deputy Presiding Officer: I will take the opportunity, at this early stage in proceedings, to remind members that the debate is about matters for which Parliament has responsibility. We will not be engaging in a blatant electioneering extravaganza this afternoon—hopefully. [*Laughter*.]

Kate Forbes: I am sure, having shared multiple platforms with Mr Fraser in various hustings around the country, that I will shortly have the opportunity to answer his question more substantively.

In this Government, our agenda for economic growth is built very much around our skills and education system. It identifies and encourages talent and taps into everybody's potential, not just that of the privileged few. It tackles the skills gap in computer science by increasing the availability of specialist teaching and encouraging participation in foundational subjects such as maths and physics. It is a system that prepares people to succeed in a world in which artificial intelligence strikes at the certainties of the established labour market.

It will be growth in which everybody has a stake, with regional economic partnerships that define and deliver the priorities of their communities; with vibrant social enterprises and an entrepreneurial

third sector; with a continued commitment to community wealth building and with specific programmes that promote enterprise within Gaelic-speaking communities.

It will be growth that respects, protects and celebrates our environment; that recognises our natural resources as an extraordinary competitive advantage; that ensures a just transition; and which sees public and responsible private investors in Scotland's natural capital working alongside each other to achieve ambitious climate change and biodiversity goals. Realising that potential is not easy. [*Interruption*.] Talking of which, Fergus Ewing wants to intervene.

Fergus Ewing (Inverness and Nairn) (SNP): I am most grateful to the Deputy First Minister for giving way.

Does she agree that economic growth is not all about more money and more cash—it is also about process and, in particular, about speeding up processes, whether for salmon farming consents, new forestry plantations, renewables projects or planning developments? Does she agree with me that delay is the hidden destroyer of economic growth in Scotland?

Kate Forbes: I agree that we need to ensure that Scotland is a great place to do business. I will perhaps come on to that in the limited time that I have available.

For the record, I point out that our vision for the economy is ambitious, but achieving it and realising the potential are not inevitable, nor are they easy. The world is uncertain and unpredictable, but armed with the vision that we first described in the national strategy for economic transformation, I believe that we can and will succeed, provided that we are prepared to make difficult choices and to commit to sustained action over time.

Let me describe some of the choices. We choose to focus on becoming one of the leading start-up economies in Europe. I make no apology for the fact that I am inspired by entrepreneurs. I revel in their optimism and I want to put their spirit at the heart of Scotland's economic future. We choose to do that because the economic impact of new and scaling firms is colossal. They are 40 per cent more productive than the economy as a whole and they attract investment and create high-paying jobs far beyond the walls of their own enterprises. In doing so, they help to address many of the wider challenges that we face, as a country.

Those enterprises include companies such as Blackford Analysis, which is a vibrant software company in Edinburgh that uses the power of AI to improve patient outcomes, and Intelligent Growth Solutions, which is a rapidly scaling firm that is based in Inverkeithing, and whose approach to precision farming is at the frontier of the push to deliver global food security. They are companies that are growing in Scotland and whose very DNA dispels the myth that growth and wellbeing are contradictory economic principles.

We make that choice from a position of strength. Last year, despite the difficult macroeconomic headwinds, our start-up ecosystem attracted record investment of almost £1 billion, which outperformed all UK regions with the exception of the so-called golden triangle between London, Oxford and Cambridge.

We recently announced investment of £5 million in a new enterprise package and we are well on our way to delivering one of Europe's finest state-funded systems for creating and scaling high-growth businesses. The £42 million Techscaler network puts the inspiring winds of silicon valley in the sails of Scottish innovation by providing world-class incubation facilities as well as founder education from the best providers in the world.

We are expanding our entrepreneurial talent pool by delivering on the recommendations of Ana Stewart's "Pathways: A New Approach for Women in Entrepreneurship" review. It is simply unacceptable that start-ups that are founded by women receive only 2 per cent of investment capital, so we are going to tackle that head-on by creating new best-in-class environments in which women can create and scale businesses, financial incentives to seed good ideas and structural reforms to the way in which the public sector invests in scaling companies.

We also choose to put science and technology at the heart of our economic future. We are already a European hub for drug discovery and life sciences and we are home to the UK's second-largest critical-technologies supercluster, which comprises quantum, photonics, semiconductor and wireless capabilities. It is one of a small number of priority clusters in digital technology, advanced manufacturing, life sciences and the energy transition, which will be supported by a dedicated cluster-building programme. It will be shaped by industry, share knowledge and support cross-cluster collaboration.

Paul Sweeney (Glasgow) (Lab): Will the member take an intervention?

Kate Forbes: Do I have time?

The Deputy Presiding Officer: There is a bit of time in hand.

Paul Sweeney: I thank the cabinet secretary for giving way. She raised an important issue about the growth and scaling of firms in Scotland. One of the concerns that has often been raised with me is that firms in Scotland grow to a certain level, after

which they struggle to access more capital then have to sell to overseas ownership. Is there a strategy in place for the Government to anchor more firms to Scotland for the longer term, so that we can have more FTSE 250 and FTSE 100 companies with headquarters in this country?

Kate Forbes: Paul Sweeney has put his finger on it when it comes to our ambition for Scottish start-ups. In supporting companies to start up and then scale up, we do not want them to leave. They need a pathway from the moment when they start operating to the moment when they are extremely successful, because we want them to be headquartered in Scotland. That is part of some of the strategies that I have mentioned. I am happy to engage on a cross-party basis to make sure that we get it right.

We want a relentless focus on science and technology, so we have developed plans to recast Scotland's world-class universities as hotbeds of start-up creation and upscaling through an increased focus on spin-outs and on staff-led and student-led businesses. We are working through our enterprise agencies and the Scottish National Investment Bank with investment of more than £640 million across 34 investments, which has already helped to drive more than £1 billion of third-party co-investment.

Before I come to a conclusion, I want to make it clear that the scale of our ambition cannot be met by Government-backed funds alone. That is why, in line with the recommendations of the First Minister's investor panel, we have chosen to create a more investment-friendly environment and ecosystem in Scotland by operating at scale, defining clear roles and responsibilities across the public sector, maintaining a professional and systematic approach to investor engagement, and developing a credible and costed pipeline of investment opportunities. The detail of that has already been set out in the terms of the £500 million of investment in offshore renewables, which will leverage private investment in ports and in manufacturing and assembly work.

That work is to go hand-in-hand with our vision for fair work, with the number of accredited real living wage employers increasing from 14 in 2014 to more than 3,700 in 2024, and some 67,000 workers in Scotland having had a pay rise as a result of their employers securing accreditation. Just under 90 per cent of employees who are aged 18 and over in Scotland are now paid at least the real living wage, which is a higher level than in Wales, England and Northern Ireland. Our median gender pay gap for full-time employees has been lower than that in the UK as a whole since 2003. Although there is work to do, our disability employment gap continues to fall, as well.

As I come to a close, I note that our vision is clear, we understand the choices that need to be made and we are absolutely determined to deliver economic growth that transforms lives, transforms communities and transforms this nation. I offer people across the chamber who share that vision and ambition the opportunity to be part of that and to work with me. I hope that we can deliver that shared objective for Scotland's people.

I move,

That the Parliament recognises that Scotland's abundant natural resources and hugely talented people mean that there is opportunity to build a strong, successful and inclusive economy that realises the new opportunities from the transition to net zero and the digital revolution; acknowledges that Scotland's economic potential can be realised through actions to support entrepreneurs, promote science and technology and ensure that the track record of innovation is translated into new businesses and improvements in productivity in all sectors of the economy, and agrees that doing so will build Scotland's global reputation as a great place to do business, grow exports and secure international and domestic investment.

15:38

Murdo Fraser (Mid Scotland and Fife) (Con): As the Deputy First Minister fairly said, she and I, as well as Mr Johnson and others, have been doing the rounds with various debates during the course of the election campaign. Indeed, Mr Arthur, Mr Johnson and I enjoyed bacon rolls this morning at yet another hustings. I feel that this debate might be an extension of those particular engagements. Although I hear the Deputy First Minister's strictures on not electioneering, perhaps we will return to the question of the black hole that is at the heart of the SNP's manifesto on a different occasion, if we do not get the chance this afternoon.

I welcome the language that is used in the Government's motion. Indeed, there was very little in what the Deputy First Minister had to say in her speech that I could disagree with. I find it very encouraging that we now have a Government that is talking positively about growing the economy. Now that the anti-growth Greens have been removed from the Government, it has more liberty to do that than it had previously. That is a welcome change of direction from a Government that now contains Kate Forbes as Deputy First Minister.

Of course, language takes us only so far. What we must see is action that matches the words. It is fair to say that the Government's track record over the past few years is that, rather than putting a focus on economic growth, it has, I am afraid, put too many barriers in the way of growth.

Kate Forbes: Who would the member say has been responsible for Scotland outperforming the rest of the UK economically in recent times?

Murdo Fraser: The Deputy First Minister needs to look at the wider picture, because, since 2014, the Scottish economy has grown, on average, at half the rate at which the UK economy has grown. We have a lot of catching up to do, even compared with the sluggish growth that we have seen in the UK economy, which, in line with all other Western economies, has been hit by headwinds including the fallout from the financial crash, the fallout from Covid and, of course, the impact on the cost of living of Putin's invasion of Ukraine. All economies have faced those pressures. Given that wider view, the Deputy First Minister should not be too optimistic about the performance of the Scottish economy.

On the subject of dismantling barriers, Fergus Ewing made an important intervention on planning, which is a very good example of a barrier that needs to be dismantled. I met the Deputy First Minister's predecessor as the cabinet secretary with responsibility for the economy, Neil Gray, when he took up his post, and we had a conversation in which he asked me what one thing he could do to help to improve the performance of the economy. I said, in line with what Mr Ewing said, that he should sort out planning.

The issue is not particularly planning law or the planning rules; it is the administration of planning and the fact that everything takes too long. That is perhaps because we do not have enough planners—we are not training enough and we are not recruiting enough. That major barrier to progressing economic growth must be addressed.

Fergus Ewing: Would Murdo Fraser agree that, as far as the development of renewables in the UK is concerned, which both Governments and all parties agree is a huge opportunity, there would be merit in considering the idea of setting up a standing committee, which would be chaired by the UK Government but would involve representation from the devolved Administrations, that would have the specific remit of ensuring that all public bodies that have a role to play—of which there are a plethora—do their work on time? Otherwise, we risk losing opportunity and losing projects to our many competitors, who are not hanging around, as we seem to be.

Murdo Fraser: Mr Ewing makes an important point. I do not like making off-the-cuff responses to ideas that I have not heard before, but I think that he identifies correctly that there is an issue. We see that, for example, with the Berwick Bank renewable project, which involves a large wind farm, in relation to which there have been substantial delays in consenting.

However, it is not just in planning that there have been issues with barriers. The Government has introduced a host of new laws, all of which are actively hampering our ability to grow the economy. The introduction of the regulation of short-term lets has already led to a loss of visitor accommodation and to bed and breakfasts closing down across Scotland in large numbers. B and Bs were, it seems, inadvertently caught up in those rules, even though they were never part of the problem.

The introduction of the visitor levy could take millions of pounds from Scottish residents who want to holiday here and could make Scottish tourism even less competitive than tourism elsewhere.

We had the ruinous deposit return scheme that was hated by business and which now seems to be the subject of a £200 million litigation by Biffa.

We also had the rent cap, and we now have the proposed introduction of rent controls, which is a policy that has already meant that we have lost out on hundreds of millions of pounds of investment in the rental sector and has contributed to a shortage of available properties and a spike in homelessness. I remind members of my entry in the register of members' interests: I am the owner of a property that is let on a long-term basis. However, many other landlords are selling up, which is creating shortages. All of that is contributing to the housing emergency that the Government accepts that we are in.

An issue that is dear to the Deputy First Minister's heart is the proposed ban on wood-burning stoves in new-build properties. This Government introduced each of those measures that actively hamper economic growth.

Our amendment talks about taxation. Despite this Government's protests, it has extensive powers over taxation, with complete control over non-domestic rates and control over non-savings, non-dividend income tax and land and buildings transaction tax. We know that the Scottish Government chose not to pass on the 75 per cent rates relief that is available to retail, hospitality and leisure businesses south of the border in the previous year and this year, thereby putting businesses here at a competitive disadvantage.

We also know—there is ample evidence that this is the case—that the differential rates of income tax and LBTT are having an impact on economic growth. Writing in *The Herald* a couple of weeks ago, the chief executive of the Glasgow Chamber of Commerce referred to the fact that businesses here have had to start to pay a Scotland weighting—a higher salary to take account of the fact that everybody who earns more than £28,000 a year pays higher tax in Scotland. I have heard that from many other people in business.

Keith Brown (Clackmannanshire and Dunblane) (SNP): I hear what Murdo Fraser says.

However, does he congratulate the Scottish Government on the fact that the majority of people in Scotland pay less in income tax than their UK counterparts—even better, that is the majority drawn from the lowest-paid in society—and that, across Scotland, we pay an average of between £400 and £500 less in council tax every year? Is that not a good thing?

Murdo Fraser: The benefit with regard to income tax is a few pennies a week and it makes no substantial difference to people's household incomes. Anybody who earns more than £28,000 a year is paying more tax and anybody who is on an income of more than £50,000 is paying substantially more.

I will give Mr Brown a real-life example of where the problem hits. When members of the Parliament's Economy and Fair Work Committee visited Prestwick airport at the end of April, we were told by Ryanair, which has a substantial repair and maintenance facility at the airport, that it is unable to attract qualified aircraft engineers to come to Scotland because of the tax differential. Those individuals are paid £77,000 a year and they tell Ryanair that they will not move to Scotland because of the income tax differential and the higher LBTT when it comes to purchasing a house. That opportunity is lost to Scotland, where Ryanair wants to expand but cannot, and that is the reason that it is giving.

The recent HMRC figures show a loss of high earners, not necessarily involving people moving out of Scotland, but perhaps involving people deciding that they will work fewer hours because it is no longer worth their while to do more. That applies as much in the public sector as it does in the private sector.

It is no wonder that so many organisations have criticised the widening tax differentials for undermining their ability to recruit and retain skilled staff. The Confederation of British Industry, the Scottish Retail Consortium, the British Dental Association, the Scottish Tourism Alliance, UKHospitality Scotland, the Scottish Beer & Pub Association, the Scottish Licensed Trade Association, the Institute of Chartered Accountants of Scotland and the British Medical Association all say that that is making it more difficult for them to recruit and retain skilled or experienced professionals in their sectors.

We want to see greater migration into Scotland to help to grow our economy, but that ambition is being held back by the choices that this Government is making.

Paul Sweeney: Will the member give way on that point?

The Deputy Presiding Officer: The member is bringing his remarks to a close.

Murdo Fraser: I apologise for being unable to take the intervention.

Our ambition, which is set out in our amendment, is to keep taxes in Scotland competitive with those in the rest of the UK so that they create an incentive for individuals to move here, in order to help to address skills shortages and grow our economy. Our policy paper "Grasping the thistle"—which I commend to the Deputy First Minister, if she has not already read it—sets out a range of ideas on competitiveness, skills, regulation, infrastructure, innovation and entrepreneurship.

The Government's change in rhetoric on the economy is welcome, but it will be meaningful only if it is matched by action. This Government should start by addressing the tax differential. That is the point that we make in our amendment, which I am pleased to move.

I move amendment S6M-13679.2, to insert at end:

"; recognises that the best way to grow Scotland's economy is to attract people to come and work in Scotland and to ensure that economic and fiscal policy is focused on removing the barriers that have hampered business expansion; acknowledges that many businesses, particularly in rural areas, have been let down by the Scottish Government's anti-growth agenda and the supposed New Deal for Business; believes that the income tax differential between Scotland and the rest of the UK is damaging business and is an obstacle to economic growth; notes that this tax differential has become more pronounced due to the recent introduction of the new 'advanced' tax band; agrees that continually raising taxes over the long term ultimately reduces public revenue and creates disincentives in the economy; further agrees that broadening Scotland's tax base is essential to improve fiscal sustainability, and calls on the Scottish Government to take steps to make income tax competitive with the rest of the UK, to unleash Scotland's economic potential."

15:49

Daniel Johnson (Edinburgh Southern) (Lab): I will start by approaching the debate very much in the spirit that the Government is offering—the economy is too important to be discussed only in the narrow frame of partisan jibes, discussion and disagreement. I think that there are broad areas where there probably is disagreement and broad areas that are, frankly, very complicated and require an open approach, a pragmatic discussion and an examination of the different ideas in order to secure the future that we want for everyone.

I very much welcome the Government's use of the word "growth". That is where I will begin my remarks, because growth is really important for three key reasons. First, we, on the Labour benches, believe that the best way to eradicate poverty is by increasing access to well-paid, highly productive, high-wage jobs. That is possible only if there is growth. Growth for growth's sake is not

very useful. I know that Ross Greer is not in the chamber, but we were on "Politics Scotland" earlier and he said that gross domestic product is too crude a measure. I agree, but GDP per head is fundamentally important, and it is a measure that I will return to.

The second key reason is demographic change. If we are to organise our economy with a working-age population that is smaller than the post-working-age population, we need growth. We need to get more people doing more productive jobs, and that will not be easy.

Finally, if we are to realise our net zero potential—if we are to have a 21st century energy economy that is based on renewables—we need growth and investment. We need our energy to be produced more efficiently, which will be delivered only if we achieve growth.

Fergus Ewing: I must say that I agree with the principles behind what Mr Johnson has said. Does he agree that, to achieve that growth in renewables, it is essential that we continue to support our oil and gas sector? It has the investment that we need from the private sector and the skills that we must retain if we are to develop the supply chain, achieve success and maintain investor confidence to raise the £1.4 trillion in investment that is required for renewables, only a small fraction of which the Government can afford.

Daniel Johnson: I agree with the broad sentiment. I suspect that there might be some points of disagreement implied, but I will acknowledge two things. First, transition is a necessity. We have 10 per cent of the extractable resource left in the ground, so, whatever we do, we need to transition. Secondly, critically, if we are to realise some of our strategic potential in floating offshore wind and carbon capture and storage, the expertise and engineering that are required will come from the oil and gas sector, because those are the people who know how to do that stuff. I absolutely agree that we cannot have a cliff edge. We need those jobs, skills and assets, so the transition must be a partnership between the Government and the people who have that expertise.

I will make some progress. I have outlined why growth matters, and I go back to the point about eradicating poverty and improving equality. I know that my colleagues Alex Rowley and Foysol Choudhury will continue on how we can expand opportunity and how growth should be used to expand opportunities for all.

In relation to our amendment, if we are to realise those opportunities, we need to understand our headwinds. What are the risks and threats? I fear that, sometimes, when the Government approaches such topics, it wants to circumvent that aspect. We have already had a little bit of that. The Government is very keen to highlight figures or metrics that show where it has succeeded, but it is fairly unwilling to look at either the broader context or the metrics that point in the opposite direction.

That is why I come back to GDP per head. The simple fact is that, in the first decade of this new millennium, the gap in GDP per head between the UK and Scotland shrank from about 10 per cent to about 5 per cent, but, in the subsequent decade, it has increased. Whatever other metrics one wants to use, that is the fundamental one that we must focus on, because that is a loss of opportunity and a loss of earning potential for people. Let us start with that.

We must also recognise that it is a lack of investment that is holding this country back. Again, the headline figures often obscure this, but, up until the previous quarter, we had seven quarters of decline using that same metric across the UK. The reason for that was poor levels of investment. We also need to look at factors such as entrepreneurial activity, because Scotland lacks entrepreneurial activity and company creation.

Most critically, we have unequal growth. The reality is that the vast bulk of growth in Scotland is generated from Scotland's south-east. The output per hour worked in Edinburgh and the Lothians is 50 per cent higher than it is in other parts of Scotland, such as the west and Tayside. Why is that? I suggest that we look at those issues. What are the structural barriers? Where are the regional economic development strategies that should enable people to link up the opportunities that exist in other parts of Scotland with their potential, skills and talents and the places where they live?

How much more time do I have, Deputy Presiding Officer?

The Deputy Presiding Officer: I can be relatively generous.

Daniel Johnson: Relatively. I will understand that as—

The Deputy Presiding Officer: You have up to seven minutes.

Daniel Johnson: Up to seven minutes—that is very kind, Deputy Presiding Officer. I do not know what I have done to deserve that, but I will take it.

Critically, we need to have much greater focus and clarity. That is why we have set out three key focuses in our document "Building a business case for Scotland" around brand Scotland, net zero, and technology and financial services. I note that the Deputy First Minister might have highlighted the same three focuses in her recent

column in, I think, *The Herald*. I am very grateful and flattered by that compliment.

We also need to focus on the how, because it is not enough just to have those focuses. I share many of the ambitions, but what needs to change? What elements in our enterprise agencies and policy approaches are holding back those things? We need greater clarity across our enterprise agencies. We often talk about there being a cluttered landscape. Tackling that is not just about reducing their number but about ensuring that they have clear focus and functions and that they are working together.

We need much better focus on how wider policies impact on those things. We have already talked about planning, but other points of regulation and points of contact between the private sector and Government are impeding things. We need a greater ability to carry out regional economic delivery. That goes far beyond what regional economic partnerships seek to deliver. We need a genuine regional approach to government.

I think that my seven minutes is up. Critically, this is about how we improve the life chances of people across Scotland. That is why growth matters. It is about tackling poverty and inequality and increasing people's life chances.

I move amendment S6M-13679.3, to insert at end:

"; acknowledges that the gap in GDP per capita between Scotland and the rest of the UK has widened since 2007 and that EY's Scottish spring forecast predicts that Scotland's growth will continue to lag the UK's in 2025; notes that Scotland's early-stage entrepreneurial activity rate of 8.8% is lower than the UK's rate of 11%; believes that businesses must be successful to build a strong economy and create the jobs that the country needs, and calls on the Scottish Government to work in partnership with business, listening to industry and workers, to deliver economic growth and the revenue needed to improve lives across Scotland."

The Deputy Presiding Officer: I call Maggie Chapman to speak to and move amendment S6M-13679.1. You have a similarly generous four minutes.

15:57

Maggie Chapman (North East Scotland) (Green): I am pleased to open on behalf of the Scottish Greens. The title of this afternoon's debate raises two fundamental questions: what do we mean by the economy, and what is it that we want to grow? Historically, and for many politicians and economists currently, the answer to the first question is extractivism, which is an economy that is based on colonial exploitation of people and resources, especially fossil fuels. The answer to the second question has been GDP. Those answers, taken together with the age-old notion that wealth will inevitably—eventually—trickle down, give us the current economic model.

Daniel Johnson: Will the member give way?

Maggie Chapman: I want to make some progress, please.

However, those answers never made very much sense and have only perpetuated a status quo that has cushioned those who are more than comfortable already. Now, in a time of climate chaos and obscene inequality, they make no sense at all. If our economy does not address the climate crisis or the inequality emergency, it is, at best, pointless in practice and simply enables and exacerbates them.

Edward Mountain (Highlands and Islands) (Con): The member just said that it would be bonkers not to do a list of things. Surely, it would be bonkers not to ensure that people had jobs so that they could tackle things such as the deficits and the climate emergency. Without the money, they can do nothing.

The Deputy Presiding Officer: I can give you back that time, Ms Chapman.

Maggie Chapman: I did not use those words. If Mr Mountain had listened carefully, he would have heard me say that, if our economy does not address the climate crisis or the inequality crisis, what is the point of it? What is it there to do?

As the Government's motion recognises, we are in a different world now, and we urgently need to make a just and sustainable transition to an economy that meets its challenges and to forms of growth that recognise the realities. That means fundamental changes of approach, trajectory and objective, not simply substituting renewables for hydrocarbons, for example. We need to look at different answers—the answers that I and other Green activists have been talking about for years.

Central to this thinking is the concept of a wellbeing economy that meets the real and urgent needs of workers and communities, that respects the natural world and those who protect it, and that continues to flourish safely alongside future generations.

Paul Sweeney: The member made an important point about some of the flaws in GDP calculations. One example that she might agree with me on is that new-build housing construction is factored into new GDP figures but renovations and retrofits are not. Is that not a perverse situation in a climate emergency, with massive amounts of housing that badly needs to be refurbished?

Maggie Chapman: There are many perverse realities in our current economy, such as the one

that the member highlights. My colleague Lorna Slater will speak later in the debate about how the vision that we want to present can be made real and tangible in order to deal with some of those perversities and create the kind of industrial strategy that Scotland so desperately needs.

Our answer to the second question—what is it that we want to grow?—is key. It is not the sterile statistic of GDP, but our capacity to thrive as a nation, as cities, as towns and villages, as families, as communities and as unique and inspiring human beings. Under the current devolution settlement, our resources are limited. Indeed, our agency is significantly challenged. That is why, as Greens, we argue for an independent Scotland that has the powers and capacities to act as radically, as swiftly and as compassionately as the intersecting crises require.

However, we cannot let those resource and agency limitations distract us from the work that we can do today. If we advocate for independence for a very different kind of state, it is more important than ever to pay attention to what we are doing now and to exactly what kind of future we are investing in. Does it plant seeds of care and creativity as well as of science and technology? Does it support co-operatives and social enterprises as well as ambitious entrepreneurs? Does it measure success by equality and wellbeing as well as by productivity and export? The current model does not do those things. The purpose of modern state capitalism is to socialise the costs and risks of society and the economy while privatising the profits. That does not plant those seeds of care and creativity or generate and sustain equality and wellbeing.

That is where this debate crucially connects with one of the debates that I spoke in last week, on our shared priority to eradicate child poverty. It is by looking at our economy through that clear and focused lens, by asking what impact each of our decisions about investment, policy or practice has on the poorest children and the adults that they will become, and by making their rights real and realised that we will find the direction for the economy that we need.

I move amendment S6M-13679.1, to insert at end:

"; acknowledges the important contribution that community and social enterprises, cooperatives and other not-for-profit structures make to local economies, including local resilience and community wealth building; recognises the need to promote science and technology, but also creative and caring work that sustains Scotland's society and culture, and agrees that proper investment in the green economy is required to deliver the urgent transformations that are needed to develop an economy that has equality and fairness at its heart."

The Deputy Presiding Officer: We move to the open debate.

16:02

Michelle Thomson (Falkirk East) (SNP): I am pleased to support the motion. Scotland is our business, Scotland is open for business and the SNP is focused on supporting and growing that business.

It is a pity that there is a lack of a realistic plan from either the Tory or Labour benches to enhance our prospects for growth. The Tories have lost the plot, but Labour's row-back on its green prosperity plan, combined with its adoption of the Tories' fiscal rules, will be hugely damaging. These are not my words but those of the Institute for Fiscal Studies—here is what it said about Labour's plans for green investment:

"After paring back the plan substantially ... the proposed additional spending would amount to less than half of the additional investment spending the Office of Budget Responsibility thought would be required"

to be

"consistent with the recommendations of the Climate Change Committee in 2021."

Liz Smith: Would Michelle Thomson like to comment on what David Phillips from the IFS said today after the launch of the SNP's manifesto about the extent of the big black hole?

Michelle Thomson: Liz Smith knows that we have had many discussions about that. I highlight to her, from the Scottish Fiscal Commission's report, on fiscal sustainability, the fact that 18 per cent of Scotland's capital budget is required for us to get to net zero. Why, in the light of that, is she not clamouring for increased fiscal powers for the Scottish Government?

Accumulating capital stock and increasing the supply of a well-educated workforce are also of vital importance for growth. However, today I want to focus on the most important factor in long-term growth, which is technological innovation.

There are lessons to be learned from history. In the first industrial revolution, which was in the 18th century, we saw steam power taking off with the innovations of James Watt. In the second industrial revolution, the rate of technological change accelerated again, leading to electricity, which enabled new technologies. The arrival of transistors in the mid-20th century laid the foundations of the third industrial revolution, marking the beginning of the digital era, with opportunities enabled by the internet of things, the cloud and big data.

Who on earth, then, when we consider the growth enabled by technology, thought it a good idea to remove the UK from the European Union digital single market? Prior to Brexit, the UK digital economy growth rate averaged 24.1 per cent annually but, by June 2022, it had fallen to 0.7 per

cent, according to research from Professor Alison Harcourt. However, the Tories and the Labour Party are now Brexiteers, with the Lib Dems wringing their hands after rowing back on their previous opposition.

The power of technology to drive change is spurred by its growth and use. In 2020, the United Workplace network argued that there are currently more than 19,000 million devices connected to the internet, more than 5,000 million mobile users and about 2 zettabytes of traffic per year at the global level. This is the era of big data. I was therefore delighted that, last year, the Scottish Government launched its 10-year innovation strategy, calling for Scotland to drive towards ranking alongside Denmark, Norway and Finland in being recognised as one of the most innovative medium-sized countries in the world.

The challenge that we all face is neatly summed up in Martec's law, which states that, unlike information technologies, which grow exponentially, organisations grow logarithmically. It follows that, if organisations do not adapt to the pace of change, extinction will be inevitable. That process is what some people call digital Darwinism. If we do not get on board and if organisations in the public and private sectors fail to keep up and to be much better attuned to continuous innovation, they will become part of digital Darwinism, where organisational extinction is just as much on the agenda as organisational progress. That is the major challenge that we face as we rightly pursue economic growth. Scotland is up for that challenge, and I look forward to seeing the continued focus on economic growth that is outlined in the motion today.

The Deputy Presiding Officer (Liam McArthur): I advise members that the time that we had in hand has now pretty much been exhausted, so members will have to stick to their speaking time allocations.

16:07

Edward Mountain (Highlands and Islands) (Con): Before I go into my speech, I remind members that, as declared in my entry in the register of members' interests, I run two small businesses.

I want to speak about small businesses and the vital role that they play in the growth of Scotland's economy. Let us consider a small business in the Highlands that employs six people, each on a salary of £30,000 per year. It is impossible, however hard one tries, to measure how that money is eventually spread but, inevitably, employees will spend their wages in local shops, cafes, restaurants and entertainment facilities and on local services. They will keep the transport going, keep the workers driving the buses—if they can find them—and the trains working, and they will ensure local connectivity. They will contribute to local charities and non-profit organisations, perhaps by giving freely of their time, and they will support myriad other businesses.

As well as that reinvestment in the local economy, some of those six employees may have children in primary or secondary schools, thus helping the communities to employ teachers, childcare providers and support staff, which in turn ensures that local children continue to access good local education—so do not close our schools. Those employees will contribute to the employment of doctors, general practitioners, dentists, nurses and pharmacists—so keep local GP practices, pharmacists and hospitals open.

In essence, a small business with six employees creates many more jobs in the local economy than we could even calculate. A small business functions rather like a cog in a much greater network, which certainly employs dozens, if not hundreds, of people across Scotland. If the Scottish Government overlooks or neglects small businesses and local services, there will be collateral implications for the foreseeable future.

There is nothing small about the impact of small businesses across Scotland. In 2020, a staggering 87 per cent of the 180,000 businesses registered in Scotland were defined as micro-enterprises—companies that employ up to nine people. The Government's own 2020 "Rural enterprise support: evaluation report" stresses that, compared with those in the rest of Scotland, three times as many people in remote rural areas work for small businesses. That means that, when small businesses are left unsupported or local services are cut—which means that those businesses cannot find employees—the economies of rural and island communities are hit the hardest. Indeed, parts of the Highlands and Islands have local economies that are made up purely of small businesses.

Small businesses function as a close-knit community whose members inevitably look after one another and attempt to self-sustain, but they require help. The chair of the Federation of Small Businesses in Scotland recently commented that the First Minister needs to put

"growth and the needs of small businesses at the heart of his agenda."

The very last thing that employees in those small businesses need are tax increases. That restricts the amount of money that they can spend locally, and they know how to spend it well.

If we do not look after small businesses and their employees, reinvest in local economies and keep local services open during this time, we will

perhaps consign Scotland's rural communities to the further depopulation that we are seeing across the Highlands. That is bad news. We cannot afford to let the Highlands and Islands wither and die by not investing in the very small businesses that keep Scotland going.

16:11

John Mason (Glasgow Shettleston) (SNP): I thank the Deputy Presiding Officer for the opportunity to take part today.

I whole-heartedly support growing the economy. We want our society as a whole to become better off so that quality and well-paid jobs are available to all our citizens, and everyone benefits from an improved standard of living. However, we face a number of challenges in growing the economy, including having a fairly static population.

It is incredibly difficult to grow an economy if the population is not growing. That is exacerbated, as is the case for many countries, by having an ageing population, which means fewer people available to work. We need to address that in the longer term by encouraging families to have more children and, in the shorter term, by allowing more people to migrate here to work. The latter, in turn, has been made more difficult because of the UK's overly harsh immigration policy.

The Conservative amendment is incredibly ironic, as it calls for more people to come and work here while the Conservative UK Government prevents that from happening.

Murdo Fraser: How can John Mason describe a policy as "harsh" when the levels of net migration into the United Kingdom are now at record levels?

John Mason: My point—if Mr Fraser would like to listen to my next paragraph—is that we need targeted immigration.

By contrast, Australia has a regional visa system to promote economic growth outside the major metropolitan areas. People have to live, work and study in a designated regional area. Such a system could hugely benefit the economy in Scotland.

We face barriers to growing the economy, several of which are outwith our control. Some have suggested, even today, that increased income tax might also be a barrier to people coming to Scotland. However, we have heard at the Finance and Public Administration Committee that, in most age groups, people are coming to Scotland from the rest of the UK rather than leaving. That will be a mystery to some Conservatives, because they think that more money is the key to everything and that everyone else makes decisions based purely on self-centred financial motives.

I want to let the Conservatives into a little secret. Not everyone lives a life that is dominated purely by personal financial gain. Some people want to come and live in Scotland because we have such a good environment, with cleaner rivers, lochs and seas; others because the NHS is better here and there are shorter waiting times. Just recently, a constituent told me that she had moved from Kent, where she could not get an NHS dentist at all. She came to Glasgow and immediately got an NHS dentist. Others come for our world-class universities and research sector. Some want to live in a fairer society, even if they pay a bit more tax.

Another factor in all that is where the benefits of economic growth are going to. If growth means foreign-owned multinationals making increased profits, that sounds like bad growth. By contrast, if it is social enterprises, co-operatives or employee-owned businesses that are growing and the jobs and profits are likely to stay in Scotland, that is good.

That brings us to the subject of scaling up and why Scottish businesses are often sold by their founders before they have really grown to a significant size. It is not that we want to be overly protective of Scottish ownership, but it seems that businesses in a number of other countries are not sold off as readily as they are here. Common Weal estimates that, in 2021, £36.5 billion was extracted from Scotland, mainly as profits and dividends, while only £26.4 billion flowed in—a net outward flow of £10.1 billion. I am not saying that I am opposed to foreign direct investment—many of the jobs linked to FDI are good, well-paid jobs—but I just point out that there is a downside to so many of our businesses being foreign owned.

Scottish Financial Enterprise has produced a brief manifesto for the next UK Government. I have already mentioned some of its points, such as looking at the immigration system and student visas to attract—

The Deputy Presiding Officer: You need to conclude.

John Mason: —the best talent here, but it emphasises that the UK Government should work more with the Scottish Government. I will finish on the point that, in recent years, the UK Government has seemed to want to give Scotland a kicking, and that has to stop.

16:16

Foysol Choudhury (Lothian) (Lab): Growing the economy must be the number 1 priority of Government in Scotland and Westminster. Over

the past 17 years, both Scotland and the United Kingdom have seen sluggish economic growth. The National Institute of Economic and Social Research estimates that, since the 2008 financial crisis, the UK economy has grown by an average of 1.2 per cent each year, down from an average of 2.3 per cent in prior decades.

In Scotland, we lag behind the rest of the UK in GDP growth, with 2025 forecasts saying that that will remain the same. Make no mistake—economic growth is stagnating, and the working people of Scotland are paying the price of two weak Governments.

Research from the University of Strathclyde shows that early entrepreneurial activity in Scotland is lower than the UK average. To grow a strong economy and build our reputation as a great place to do business, early entrepreneurs must be better supported. In particular, our technology sector, which is suffering from a lack of capital investment, would benefit. Scottish Government grants need to grow businesses in the long term and reward entrepreneurship. Edinburgh has a growing technology sector, and we cannot afford to miss out. It is imperative that the Government works with our tech and digital industries so that we can be best placed to take advantage of new technologies, such as artificial intelligence.

Growth is also being stunted by our skills system. The British Chamber of Commerce's business barometer report found that 71 per cent of organisations in Scotland were facing skills shortages. The Scottish Government has allowed that to happen by not planning for the sector that is key to Scotland's success and by failing to provide workers with the right skills. Our skills system is rigid and does not adapt to the needs of businesses and people, which slows growth. However, while economic inactivity has risen to 23.2 per cent, the Scottish Government has cut the budget for skills programmes, which support young people into work, by 36 per cent.

Scottish Labour will work in partnership with businesses to create a flexible, modular skills system, underpinned by digital skills passports, which can adapt to the needs of the economy. UK Labour would set up a national wealth fund, unlocking private investment and creating 69,000 green jobs. The Scottish Government's focus on economic growth now is welcome, but its record does not reflect those warm words. We are lagging in productivity and employment compared with the rest of the UK. Scotland needs a Government that will put growth first and work with businesses to invest and unlock Scotland's potential. Scottish Labour is ready for a change.

16:20

Clare Adamson (Motherwell and Wishaw) (SNP): I expected to speak a lot about technology today—I am sure that that is no surprise to anyone in the chamber—so I was delighted that Michelle Thomson and the cabinet secretary spoke about how important technology and the fourth industrial revolution are to how we grow Scotland's economy.

I will make a couple of reflections on oil and gas. Quite rightly, Mr Ewing talked about how we need to use the technology and the advantages of the north-east, and I absolutely agree that moving towards net zero does not mean that we are abandoning the north-east, the oil companies or that technology. Indeed, since 2003, Fervo Energy in Texas has been adapting and converting oil and gas and drilling infrastructure to that which can be used for geothermal energy. That is the way forward and how we can ensure that no one is left behind as we move towards net zero. As Maggie Chapman said, it is imperative that we make such provisions.

I want to talk a little about my technology experience. The fourth industrial revolution is upon us and, in the past year, I have chaired and attended many meetings that have focused on science and tech. There are common threads. Principally, we need sustained investment in, and focus on, innovation in such sectors, and we have to encourage our young people into careers in science, technology, engineering and mathematics.

In my area, I am very lucky to have New College Lanarkshire's Motherwell campus, which has a smart hub that involves working with local small businesses in particular on the use of fourth and fifth generation robots in food production, manufacturing, warehousing, packaging, welding and repair, including the repair of turbines in the renewables sector. That shows that all work is moving towards the use of robots, AI and other technology, so we have to adapt and embrace those opportunities for Scotland.

Often, we do not recognise the great work that is happening. The cross-party group on science and technology was given a whistle-stop tour of pioneering research in quantum tech and semiconductors. I was delighted that the cabinet secretary mentioned that, because such developments will be transformational and will represent a step change in how we can use AI and the internet of things to look after our environment and healthcare, to communicate and to monitor systems. It is really exciting to see that work being done. We also have expertise in hydrogen, which I do not think has been mentioned so far in the debate.

I want to mention the Scottish games sector, which is part of our cultural economy and is really important to Scotland. We could be doing more in that area. We have talked about economic inward investment, and there is such investment in our games sector in Dundee, but we need more of it. The sector generates more than £2.4 billion for the Finnish economy, and Scotland could be taking more advantage of it, so I would like there to be more work in that area.

Mr Mountain talked about his employees. I am sure that, when they come to work for him in the Highlands, they will be delighted that they can get free prescriptions, a free bus pass, 1,140 hours of funded childcare and advantages from the Scottish child payment and care payments. They will also be included in the Scottish fair work agenda, and their children will get free further and higher education, which will be to their advantage.

16:24

Alex Rowley (Mid Scotland and Fife) (Lab): In the brief time that I have, I want to talk about education, skills and the failure of joined-up government, which sits at the heart of many of our current problems in Scotland. I have always believed that Scotland's greatest asset is its people. If we want a successful, growing and productive economy, we need a highly educated and highly skilled population.

In the past few years, I have met many employers up and down Scotland. It is guaranteed that, when we ask them what the issues are, education and skills will always come up. Many of the people I talk to in Rosyth dockyard across in Fife describe the dockyard as the United Nations, because the reality is that it could not survive and deliver the contracts that it has if it was not actively seeking skilled labour from abroad. As with so many employers in Scotland, it is unable to get the skills and the skilled labour in this country. The SNP has been in power for 17 years. Education and skills are devolved, and there is no excuse for not getting it right.

This morning, I looked at the Educational Institute of Scotland manifesto for the general election, "Stand Up for Quality Education". Its first priority area is:

"Build the resources and school culture to address distressed, violent and aggressive pupil behaviour".

That is a major issue. Last year, the Government held three emergency summits to discuss how we address those issues. From the amount of emails that I am getting from parents and teachers, it seems to me that we are not much further forward in fixing that specific issue in our schools. The EIS has highlighted three areas, and violent and aggressive pupil behaviour is one of them.

The second priority is:

"Secure an increase in funding and support for pupils with additional support needs".

Again, that is not rocket science. There is a complete failure to recognise the need to invest in our schools and get additional support teachers into our classrooms.

The third EIS priority is:

"Achieve a significant reduction in teacher workload".

We need only to meet and talk to teachers to know that there are real issues there.

The fourth area that I would add is the 2007 SNP manifesto commitment, which was to cut class sizes. Again, there has been a total failure to achieve that.

I will move on from the schools, which, as I say, have major issues that are not being tackled by the SNP Government, to colleges. If we are going to have a successful economy, everyone in the chamber would acknowledge that we have to invest in colleges and we need to fix their massive problems. We have a minister who is responsible for colleges who seems to be posted missing when it comes to addressing the issues. Industrial relations are at an all-time low. We are having strike after strike after strike. The students are being let down and morale in our colleges is at rock bottom, yet we have a Government minister who says, "Nowt to do with me, mate. This is for somebody else to deal with." Over many years, we have seen the SNP make structural changes in colleges but it has continued to fail.

Education and skills are key to a successful economy. The SNP Government must address the issues that we have, otherwise we will not have a successful economy.

16:28

George Adam (Paisley) (SNP): I have listened to colleagues during the debate and I agree with many of them—not all of them but, hey, in this new consensual world, let us not look for too many miracles at the one time.

It will come as no surprise to anyone that I agree with the premise that the Scottish Government is delivering a strong and resilient economy for Scotland. As others have said, Scotland is outperforming other parts of the United Kingdom. Not only that, but Scotland is currently the top destination for foreign investment outside of London in Europe. In 2023, earnings in Scotland grew faster than in any other part of the UK, including London and the south-east.

However, let us get to the important part of my speech and talk about positive Paisley, because it has been a while since I have had the chance to

do that. There have been some key Scottish Government investments in my constituency in recent years. Paisley High Street faces the same challenges that are faced by high streets across the country. I think that it was Edward Mountain who spoke about small businesses and investment and how we can get them to work together.

The challenge that Renfrewshire Council has is that it has two buildings bookending the High Street: one is the historic town hall and the other is Paisley museum and library. The council has managed to get investment of £100 million in the town centre through various routes such as the National Lottery Heritage Fund and the Scottish Government regeneration capital grant fund, as well as a number of other trusts, foundations and private donors.

The museum itself is the biggest cultural project currently in construction in Scotland. It is a £45 million investment, and it is going to generate around 125,000 visitors a year; that is 125,000 people walking up and down the length of Paisley High Street. There are 138 jobs being supported during the construction, and 48 jobs per year will be supported through revenue and visitor spending in the future. In addition, there will be new footfall for the town centre and for the High Street.

As I said, the museum is part of a £100 million investment. That also includes an investment of £7 million in a Paisley learning and cultural hub, which replaces Paisley central library and occupies what was once a retail space in the High Street. The hub is housed in a former high street shop and is spread over four storeys. The new building includes a reception area and a children's library and storytelling area, with a unique play structure that includes a climbing wall and slide, which has been co-designed with renowned Scottish artist Claire Barclay. The upper floors have an outdoor terrace and community rooms. That is the type of thinking that we need to increase footfall in our high streets and bring increased economic value to our towns.

However, it does not stop there. If that alone was not good enough for the good people of Paisley, it gets even better with the SNP administration in Renfrewshire. There is also the £20 million regeneration of Paisley town hall—a measure that has now transformed the historic town hall into one of the country's leading entertainment venues. Again, that is about moving into the night-time economy and generating business for the businesses in the local area.

Last year, Paisley town hall was reopened—the Deputy First Minister will be pleased to hear this—in all its glory when it held the Royal National Mòd. That event brought 8,410 visitors to Paisley alone, which was an increase of 12 per cent on the numbers attending the same event in Perth last year.

However, although we can look at the investment that has been made by Renfrewshire Council and the Scottish Government over a few years, we are living in a time when Westminster is cutting those budgets and stopping us from being able to make those investments and help towns like Paisley to move forward. No one will be surprised to hear that I believe—as I always have done—that, if we had the full levers of power, we could pass the economic bills that we need and do what has been done in Paisley in towns and cities across the whole of Scotland. We could ensure that we build the future that we want for our town centres.

The Deputy Presiding Officer: We move to closing speeches. I am disappointed to note that one of the members who participated in the debate is not here for closing speeches. I will expect an explanation, and indeed an apology.

16:32

Lorna Slater (Lothian) (Green): I have listened with interest to the debate, and I hear how heavily members across the chamber are leaning on what Andy Haldane, of the *Financial Times*, referred to as "the growth fairy" to resolve all our economic problems. As Mr Haldane goes on to say,

"Absent the growth fairy, the other options are considerably more painful."

There is a conspiracy of silence about what those other options look like. Spoiler: they look like talking honestly about taxation—who pays what and how much?

Again, I am indebted to Mr Haldane for this quote. He said that political parties

"project a fall in public investment as a share of GDP over the next parliament, from a base several percentage points below the UK's competitors. We can hope private investment fills the gap. But hope is not a growth strategy and private investors might be cautious about rushing in where public investment fears to tread."

We need our Governments in the UK to recognise that public investment is needed to give confidence to private investment, but what about taking a different approach to our economy? Instead of waiting for the growth fairy to sprinkle us with her bounty, which we can then presumably allow to trickle down to the workers and communities, what about building our new economy for the post-fossil-fuel world from the bottom up? What if we do not treat paying living wages as optional, we do not consider, under any circumstances, removing or restricting benefits that are needed for the basic necessities of life,

and we do not consider nature and the environment to be acceptable collateral damage?

We need to ensure that everyone in society benefits when the economy is doing well. That means ensuring that more people have a stake in it. Community ownership, support for social enterprises, co-operatives and other alternative business models give people that stake and ensure that people are at the heart of the economy rather than profit. We must ensure that women participate equally in this new economy. The goal should be women filling 50 per cent of all training, education and employment opportunities, and we should be setting quotas to support that.

Scotland has so much potential for a thriving economy in a post-fossil-fuel world. We have the infrastructure, even if it is a bit crumbly now, and we have a history in heavy engineering. From the port of Dundee to the harbour in Aberdeen and all the way up to Nigg, we are already designing and building the future—wind turbines, tidal turbines, energy storage systems and equipment for green hydrogen generation and distribution. We have the potential for a major reindustrialisation of Scotland, and we can shape a vision for leading the way on designing, building, installing and maintaining the machines that will generate and store the clean energy of the future.

However, that means making a clear change of direction away from oil and gas and committing to and investing in these new industries. Oil and gas production in the North Sea is in decline and must continue to decline. We have this moment of hope to seize the opportunity to focus on the new economy. If we fail to do so, and if we cling to dying industries, other countries will pull ahead, and they will build the wind turbines and the electric and hydrogen-powered vehicles and install the hydrogen infrastructure, the cranes, the ports and the quays, and this moment of opportunity for Scotland will be lost.

16:36

Daniel Johnson: In summing up, I will be deliberately contrarian by both agreeing and disagreeing with people in the same instance. I start with Lorna Slater and Maggie Chapman. I agree with them in one fundamental sense—that growth for growth's sake is no use at all. If all that we did was grow raw GDP, that would not be delivering anything at all. We need growth for the very reasons that they set out—we need growth because we need to drive investment in green infrastructure, and we need growth because we have an ageing economy.

The only way in which we will deal with that is if we invest in our people and their ability to do the jobs that they seek to do. That requires growth and needs a very hard-nosed approach. That is why GDP per head is the real measure, coupled with a laser-like focus on the Gini coefficient. Those two things go hand in hand. Does that capture everything? No, but they are the best measures that we have of ensuring that we are increasing prosperity and reducing inequality as we do it.

Fundamentally, that is where we agree. We must ensure that we enhance people's ability to thrive, as Maggie Chapman said. That is the fundamental reason for economic growth. That is why I slightly disagree with John Mason. He is right that it is difficult to grow an economy unless we have migration, but, ultimately, if we are not careful, we mask that fundamental truth about GDP per head.

I agree and disagree with the Deputy First Minister. She is absolutely right about her focus on technology and start-ups, but we need to be careful that that is not the only focus or the only route to supporting entrepreneurial activity. I am very supportive of the scale-up initiatives; indeed, one of the most useful things from the Logan review is the pipeline concept. However, I would like that to be applied more broadly. We absolutely need those start-ups and innovative companies, but we also need the application of that technology and investment in the small businesses that Edward Mountain highlighted. The reality is that such companies are not inherently more productive, but they have access to more investment, and investment drives productivity. The real problem in this country—it is a stubborn problem—is that smaller businesses struggle to find financial investment and therefore do not take up the opportunities of technology or improving the productivity of their people.

I agree with Clare Adamson that there are huge possibilities with AI and robotics. However, unless we focus on investment, we will continue to see large companies and the companies that are engaged in start-up culture benefiting, while we will leave companies of other sizes and scales behind.

Kate Forbes: I completely agree with the member. My first role, back in 2018, was digital-boost focused. He might recall that I was trying to get more traditional businesses to embrace technology. I hope that he will agree that we have a productivity challenge, which will be answered in part by private investment in processes and skills—that means technology and people, hand in hand.

Daniel Johnson: I completely agree. At the event that we attended this morning, which Murdo Fraser alluded to, I made the point that all the changes that we need to see across our economy and our society will be delivered only if they are

done in partnership between the state and the private sector. Private sector investment is required, but there is a role for the state in helping to shape it. If that is not through direct investment, we could look at derisking investment, because often small firms struggle to raise investment, and it is a fundamental driver. If we treat productivity like magic fairy dust—as it was described earlier—we will never deliver it. We need investment in plant machinery and equipment—the things that enable people to do their jobs.

Michelle Thomson: Will the member take an intervention?

Daniel Johnson: I am struggling for time, and I am afraid that I would like to make a bit of progress.

I will alight on a point that George Adam made—I know that he is somewhat staggered by the consensual approach, but I will make a consensual point. He was right to highlight the role of his area—Paisley—because another mistake that we make in Scotland is that we take a top-down approach to the economy, whereas economies are built from the bottom up. Across the UK, the areas that are succeeding at building investment are the metro regions—for example, investment in Manchester has been led by the metropolitan area.

We need to look at the powers that that area has been granted. Manchester is baselining business rates, and the upside of business rates accruing to Greater Manchester Combined Authority is that it is aligning its policies to the area's growth. As Murdo Fraser pointed out in private earlier, we have the same framework, so we could do the same thing in Scotland.

I highlight the remarks of Alex Rowley and Foysol Choudhury. Ultimately, the economy is built around people. Unless we get our education system right and our skills system right, and unless we have a system that enables people to upskill and reskill as our economy changes and which enables people to take up opportunities, we will leave things behind.

My final point is about the reference to the United Nations at Rosyth—

Clare Adamson: Will the member take an intervention?

The Deputy Presiding Officer: No—Daniel Johnson is about to conclude.

Daniel Johnson: That is a tragedy, because many people in Fife and up and down the east coast struggle to find good work and good wages, which could be right there for them.

The Deputy Presiding Officer: You need to conclude, Mr Johnson.

Daniel Johnson: The want of the right schemes, the right opportunities and the right training is what we need to tackle.

16:43

Liz Smith (Mid Scotland and Fife) (Con): The debate has been interesting and generally positive. I will pick up on something that Michelle Thomson said that I still do not entirely agree with. She has still not answered my question about how she would fill the big black hole in SNP finances. Nonetheless, she referenced the Scottish Fiscal Commission's 2023 sustainability report. Finance and Public Administration Committee members are unanimous in thinking that it is a pity that we have not had a debate on that specific issue, which the Scottish Government promised several months ago. As a backdrop to all the things that we have discussed today, it would have been helpful to have had that debate, because the report is seminal on the way forward for economic growth.

When she was a back bencher, and at a recent meeting of the Economy and Fair Work Committee, the Deputy First Minister has been clear that the Scottish Government's priority is to remove the barriers that hamper business expansion and to do much more to encourage the private sector to play a leading role in the pursuit of economic growth. I have to say that that is one of the most encouraging remarks that I have heard from the Scottish Government for a long time. I am sure that the Deputy First Minister will hold to that, because it is essential if we are going to ensure that Scotland has economic growth.

Kate Forbes was also clear that the best way to grow the economy is to attract people to come and work here and she offered the view—rightly so, in my opinion—that the SNP cannot go on increasing tax rates, as has been the case for the past few years, without some detrimental effects on revenue and productivity. That is another message that I warmly welcome from the SNP, because that is definitely what business and industry have been very concerned about. They want to have economic stability; prudent fiscal management; lower taxation or a lower tax burden; closer alignment of Scottish taxation with UK taxation; a well-maintained infrastructure, including in rural areas; fewer barriers to trade; and a strong emphasis on training and skills, of the sort that Alex Rowley was talking about.

Daniel Johnson was quite right, too, because he flagged up that one of the biggest challenges that we face is the extent of economic inactivity—the rates are worryingly high—which means that we are not making the best use of the skills and talents in our labour force. We desperately need the skills of those who are able to work. The policy

prospectus should therefore be fully focused on helping people back into the labour force, on preparing them for the future jobs that many people have spoken about in the debate, and on ensuring secure jobs and investment.

Clare Adamson: There has been a lot of discussion across the chamber about the skills base and about opportunities for young people. How on earth does the Tory and Labour policy adopted by Rishi Sunak and Keir Starmer of not taking the European Commission's offer of a free-movement arrangement for under-30s help in this situation? We want opportunities for young people here, but we also want our young people to have the opportunity to study and work abroad.

Liz Smith: Clare Adamson made a good speech on the technology aspect. I would just point her to Murdo Fraser's earlier remarks about immigration.

I have said on the record in Parliament several times that we need to look at the whole area of attracting more young people. I gently point out to Clare Adamson that it was the SNP Government that made quite a substantial cut to the economy budget of 8.3 per cent in real terms, which included the enterprise and employability budget, so I do not think that it is fair just to blame Westminster. I also point out that, a few months ago, 9 per cent of the business community felt that the Scottish Government was sympathetic to its concerns, so all these issues are very important.

I will say a little bit about tax. The Deputy Presiding Officer will not allow me to talk from an electioneering point of view, because that would not be right. However, the tax aspect is absolutely critical, because it goes hand in hand with the incentives to develop economic growth, and we cannot have debates on economic growth without mentioning the tax burden. I suspect that Kate Forbes has more in common with me on that than perhaps with some of her colleagues, because I think that the Deputy First Minister understands that recent progressive taxation, as set out by the SNP, has not been satisfactory in terms of people being encouraged to come to highly skilled jobs in Scotland.

Keith Brown: Given what Liz Smith has just said, does she agree that there can be no incentive in the idea that personal allowances for tax are to be frozen for the next three years? That amounts to a tax increase, but that is the current plan for both the Labour and Conservative parties. Surely that is not a good thing.

Liz Smith: Mr Brown, I think that the issue is much more about the differentials—that is the point that we are discussing. The differentials are a serious disincentive for many people who want to come to Scotland to work in our higher-paid jobs. We have to reflect on that important issue.

I have heard the SNP say on several occasions that that is all offset by free prescriptions or free tuition. The fact is that those things are not actually free—they are not free at all. It is about who pays for them. In the light of what the Scottish Fiscal Commission has said, the debate about universal benefits will have to happen. An increasing number of people in the chamber agree that that debate will have to happen.

I finish by saying that there was nothing in the SNP's motion that we could disagree with. I welcome the fact that there is a different tone to this kind of debate but, to add to the debate, the tax issue is absolutely critical. That is why I will support the amendment in the name of Murdo Fraser.

The Presiding Officer (Alison Johnstone): I call Tom Arthur to wind up the debate. You have up to nine minutes, minister.

16:50

The Minister for Employment and Investment (Tom Arthur): I thank colleagues across the chamber for their contributions. There has been broad consensus this afternoon. Even in areas in which consensus might not have been immediately apparent, there has nonetheless been a great deal of alignment. I will see whether I can surface some of that in my remarks.

I will take a few contributions in turn, because there is much that merits further consideration.

I welcome the tone of Murdo Fraser and Liz Smith in the debate, and I recognise the point that Mr Fraser made about rhetoric being one thing and actions being another. I know that businesses are watching carefully to see what actions the Government takes. We have very close engagement. Obviously, members will appreciate the limitations that are placed on the Government during the pre-election period, but we want to build on the work that has been done through the new deal for business and the benefits of close collaboration in that process.

Mr Fraser touched on the issue of regulation, which I know is of particular concern to him as well as to a number of sectors. He gave a number of examples. We are working very closely with industry through the work on the regulation improvement advisory group and the regulatory review group, and looking at how we can enhance the business and regulatory impact assessment process, particularly to take into consideration the point about cumulative impact.

Murdo Fraser: I welcome what the minister has to say, but will he say something about the issue

of planning, which Mr Ewing and I raised? Being able to remove some of the blockages in the planning system is absolutely crucial to unlocking our economic potential.

Tom Arthur: Mr Fraser has anticipated the next matter that I am about to turn to.

One thing that Mr Fraser said that I was heartened by—I am sure that he will correct me if I misunderstood him—was that it is not policy or law that is the issue; it is a question of processing and time. That is very important. I am conscious, particularly as a former planning minister, of the significant importance of planning for our economy. Indeed, the regulation of the use of land can sometimes be overlooked as one of the most powerful economic tools that we have under the devolution settlement.

It is important to remember that, in its infancy, the planning system was born out of concerns about public health. From history, we know the consequences of unplanned settlements, such as the squalor that characterised Victorian and early Edwardian towns and cities. We also know the consequences of poor planning decisions. We recognise the good intent of post-war redevelopment but, ultimately, some of the ways in which the housing crisis at the end of the second world war were addressed created more problems than they solved.

Good planning and good policy are important, but I agree that, for certainty and to attract investment, it is of fundamental importance that we have an efficient planning system. We face challenges in that regard. We are all aware of the challenges around the recruitment and retention of planners in local government. That is why the Government has been taking forward work on how we can attract more people into the planning profession. I know that my colleague Ivan McKee, who is the minister responsible for planning, is leading on that. We are also considering ways in which we can use the central resource of Government to support expeditious decision making in the planning system.

Daniel Johnson: The minister has highlighted why the planning system was introduced. There were important reasons for that, but those reasons were very much domestic ones. The reality is that some of the challenges that we now face are international and global pressures, and it is taking us seven, eight or nine years to get planning consent through for large offshore wind projects, whereas, in other countries such as Norway, the process takes two to three years. What did the minister make of Fergus Ewing's suggestion about how we could ensure that timely decisions are made? What does he think about international benchmarking of such decisions?

Tom Arthur: In the international competition for investment, it is of fundamental importance that we are able to understand how we compare internationally. On policy, I might be paraphrasing somewhat, but industry commented that national planning framework 4 was one of the most supportive planning regimes for renewables anywhere in Europe. I take the point that policy is one thing, but the capacity for decision making is another.

Taxation—in particular, the tax differential that exists on income tax between Scotland and the rest of the United Kingdom—has been another feature of the debate. I am not going to rehearse the arguments that we have had many times before and which, I am sure, we will have again, but I note that the decisions that we have taken in Scotland mean that we have an additional £1.5 billion of revenue available for public services, which is helping to support investment in our health service and in policies such as the Scottish child payment, which is part of a suite of measures that is helping to keep an estimated 100,000 children out of poverty.

Tackling child poverty—indeed, eradicating child poverty—is, of course, a moral imperative and a target that we have a statutory obligation to meet. However, it also represents an investment in the labour market of the future. We should recognise that the eradication of child poverty is a significant economic investment in our people and in the future of our country.

In his intervention on Daniel Johnson, Fergus Ewing touched on the oil and gas sector. The key issue of a just transition is of fundamental importance to us all. I say that as the constituency MSP for Linwood. I am acutely aware of the consequences of an unjust transition, when deindustrialisation is implemented without a proper plan for what comes next, and of the catastrophic legacy that that can leave. Therefore, it is imperative that, in ensuring that we deliver a just transition, we do so in a way that takes people with us.

Fergus Ewing: Does the minister agree that the facts show that major oil and gas companies and the private equity funds that fund them—companies such as BP, Shell and Equinor—are among the leading investors in the world in hydrogen and in carbon capture, transportation and storage, and that their commitment, investment and skills are simply a sine qua non in making a success of a home-grown energy transition?

Tom Arthur: Yes, I do. It is imperative that we harness those skills. I think that we are all acutely aware that the capital is not available in the public sector—it is certainly not available in the devolved settlement—to enable that need for capital funding

to be met by the taxpayer alone. I encourage any incoming Labour Administration to be more ambitious in its funding, but even if that is the case, we will still require significant amounts of capital investment.

I turn to Maggie Chapman's contribution, which I thought was incredibly thoughtful and considered. She posed some challenges that have been picked up by other members and argued that, although growth is a necessity, it is not sufficient, and that we must take into account what the purpose of that growth is. What ends are we trying to achieve?

That is very much at the centre of our thinking on economics—the fundamental question of how we ensure that our economy delivers wellbeing for people across Scotland. I am conscious that some critics may wish to characterise wellbeing as a nebulous notion, but it is no more nebulous than the obsessions with utility and rational actors performing with perfect information.

The question of how we innovate in our economic thinking is an international concern at the moment. We need to think about GDP-plus and ensure that, rather than having a model in which we allow the negative externalities to mount up and then address them through redistribution, we seek to address those negative externalities at source by, for example, embedding fair work and sustainability in absolutely everything that we do.

I am conscious that my time is rapidly drawing to a close. I will pick up on one or two final points.

Clare Adamson highlighted the importance of the fourth industrial revolution that we are currently undergoing and, indeed, the vital importance of the gaming sector in Scotland, which we can be rightfully proud of. I remind her that the Scottish Government is collaborating with industry stakeholders to create a national action plan for games.

I again thank members for their contributions this afternoon, and I encourage them to support the Government's motion.

The Presiding Officer: That concludes the debate on Scottish Government priorities: growing the economy.

Business Motion

17:00

The Presiding Officer (Alison Johnstone): The next item of business is consideration of business motion S6M-13696, in the name of Jamie Hepburn, on behalf of the Parliamentary Bureau, setting out a business programme.

Motion moved,

That the Parliament agrees—

(a) the following programme of business—

Tuesday 25 June 2024

2.00 pm	Time for Reflection
followed by	Parliamentary Bureau Motions
followed by	Topical Questions (if selected)
followed by	Stage 3 Proceedings: Circular Economy (Scotland) Bill
followed by	Committee Announcements
followed by	Business Motions
followed by	Parliamentary Bureau Motions
9.00 pm	Decision Time

Wednesday 26 June 2024

2.00 pm	Parliamentary Bureau Motions
2.00 pm	Portfolio Questions: Constitution, External Affairs and Culture, and Parliamentary Business; Justice and Home Affairs; Education and Skills
followed by	Scottish Government Debate: Scottish Government Priorities: Tackling the Climate Emergency
followed by	Stage 3 Debate: Circular Economy (Scotland) Bill
followed by	Business Motions
followed by	Parliamentary Bureau Motions
followed by	Approval of SSIs (if required)
6.00 pm	Decision Time
followed by	Members' Business

Thursday 27 June 2024

11.40 am	Parliamentary Bureau Motions
11.40 am	General Questions
12.00 pm	First Minister's Questions
followed by	Stage 1 Debate: Scottish Elections (Representation and Reform) Bill
followed by	Financial Resolution: Scottish Elections (Representation and Reform) Bill
followed by	Business Motions
followed by	Parliamentary Bureau Motions
2.15 pm	Decision Time

followed by Members' Business

followed by Members' Business

(b) that, for the purposes of Portfolio Questions in the week beginning 24 June 2024, in rule 13.7.3, after the word "except" the words "to the extent to which the Presiding Officer considers that the questions are on the same or similar subject matter or" are inserted.—[*Alexander Burnett*]

Motion agreed to.

Decision Time

17:00

The Presiding Officer (Alison Johnstone): There are four questions to be put as a result of today's business. The first question is, that amendment S6M-13679.2, in the name of Murdo Fraser, which seeks to amend motion S6M-13679, in the name of Kate Forbes, on Scottish Government priorities: growing the economy, be agreed to.

Are we agreed?

Members: No.

The Presiding Officer: There will be a division. There will be a short suspension to allow members to access the digital voting system.

17:01

Meeting suspended.

17:03

On resuming—

The Presiding Officer: The question is, that amendment S6M-13679.2, in the name of Murdo Fraser, which seeks to amend motion S6M-13679, in the name of Kate Forbes, on Scottish Government priorities: growing the economy, be agreed to. Members should cast their votes now.

The vote is closed.

Emma Harper (South Scotland) (SNP): On a point of order, Presiding Officer. I could not connect. I would have voted no.

The Presiding Officer: Thank you, Ms Harper. We will ensure that that is recorded.

I note that Sue Webber would like to make a point of order, but I can confirm that her vote has been recorded.

Sue Webber (Lothian) (Con): Thank you, Presiding Officer.

The Cabinet Secretary for Health and Social Care (Neil Gray): On a point of order, Presiding Officer. I was unable to connect. I would have voted no.

The Presiding Officer: Thank you, Mr Gray. We will ensure that that is recorded.

For

Balfour, Jeremy (Lothian) (Con)
Briggs, Miles (Lothian) (Con)
Burnett, Alexander (Aberdeenshire West) (Con)
Carlaw, Jackson (Eastwood) (Con)
Carson, Finlay (Galloway and West Dumfries) (Con)
Dowey, Sharon (South Scotland) (Con)

Eagle, Tim (Highlands and Islands) (Con)
Findlay, Russell (West Scotland) (Con)
Fraser, Murdo (Mid Scotland and Fife) (Con)
Gallacher, Meghan (Central Scotland) (Con)
Golden, Maurice (North East Scotland) (Con)
Gosal, Pam (West Scotland) (Con)
Greene, Jamie (West Scotland) (Con)
Gulhane, Sandesh (Glasgow) (Con)
Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire) (Con)
Hoy, Craig (South Scotland) (Con)
Halcro Johnston, Jamie (Highlands and Islands) (Con)
Kerr, Liam (North East Scotland) (Con)
Lumsden, Douglas (North East Scotland) (Con)
McCall, Roz (Mid Scotland and Fife) (Con)
Mountain, Edward (Highlands and Islands) (Con)
Mundell, Oliver (Dumfriesshire) (Con)
Ross, Douglas (Highlands and Islands) (Con)
Simpson, Graham (Central Scotland) (Con)
Smith, Liz (Mid Scotland and Fife) (Con)
Stewart, Alexander (Mid Scotland and Fife) (Con)
Webber, Sue (Lothian) (Con)
Wells, Annie (Glasgow) (Con)
White, Tess (North East Scotland) (Con)

Against

Adam, George (Paisley) (SNP)
Adam, Karen (Banffshire and Buchan Coast) (SNP)
Adamson, Clare (Motherwell and Wishaw) (SNP)
Allan, Alasdair (Na h-Eileanan an Iar) (SNP)
Arthur, Tom (Renfrewshire South) (SNP)
Baker, Claire (Mid Scotland and Fife) (Lab)
Beattie, Colin (Midlothian North and Musselburgh) (SNP)
Bibby, Neil (West Scotland) (Lab)
Boyack, Sarah (Lothian) (Lab)
Brown, Keith (Clackmannanshire and Dunblane) (SNP)
Brown, Siobhian (Ayr) (SNP)
Burgess, Ariane (Highlands and Islands) (Green)
Chapman, Maggie (North East Scotland) (Green)
Choudhury, Foysol (Lothian) (Lab)
Clark, Katy (West Scotland) (Lab)
Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Constance, Angela (Almond Valley) (SNP)
Dey, Graeme (Angus South) (SNP)
Don, Natalie (Renfrewshire North and West) (SNP)
Doris, Bob (Glasgow Maryhill and Springburn) (SNP)
Dornan, James (Glasgow Cathcart) (SNP)
Dunbar, Jackie (Aberdeen Donside) (SNP)
Duncan-Glancy, Pam (Glasgow) (Lab)
Ewing, Annabelle (Cowdenbeath) (SNP)
Ewing, Fergus (Inverness and Nairn) (SNP)
Fairlie, Jim (Perthshire South and Kinross-shire) (SNP)
FitzPatrick, Joe (Dundee City West) (SNP)
Forbes, Kate (Skye, Lochaber and Badenoch) (SNP)
Gibson, Kenneth (Cunninghame North) (SNP)
Gilruth, Jenny (Mid Fife and Glenrothes) (SNP)
Gougeon, Mairi (Angus North and Mearns) (SNP)
Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
Grant, Rhoda (Highlands and Islands) (Lab)
Gray, Neil (Airdrie and Shotts) (SNP)
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)
Kidd, Bill (Glasgow Anniesland) (SNP)
Leonard, Richard (Central Scotland) (Lab)
Lochhead, Richard (Moray) (SNP) [Proxy vote cast by Jamie Hepburn]
MacDonald, Gordon (Edinburgh Pentlands) (SNP)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Mackay, Gillian (Central Scotland) (Green)
Mackay, Rona (Strathkelvin and Bearsden) (SNP)
Macpherson, Ben (Edinburgh Northern and Leith) (SNP)
Maguire, Ruth (Cunninghame South) (SNP)
Martin, Gillian (Aberdeenshire East) (SNP)
Mason, John (Glasgow Shettleston) (SNP)
McAllan, Màiri (Clydesdale) (SNP)
McArthur, Liam (Orkney Islands) (LD)
McKee, Ivan (Glasgow Provan) (SNP)
McLennan, Paul (East Lothian) (SNP)
McMillan, Stuart (Greenock and Inverclyde) (SNP)
McNair, Marie (Clydebank and Milngavie) (SNP)
McNeill, Pauline (Glasgow) (Lab)
Minto, Jenni (Argyll and Bute) (SNP)
Mochan, Carol (South Scotland) (Lab)
Nicoll, Audrey (Aberdeen South and North Kincardine) (SNP)
O'Kane, Paul (West Scotland) (Lab)
Regan, Ash (Edinburgh Eastern) (Alba)
Rennie, Willie (North East Fife) (LD)
Robertson, Angus (Edinburgh Central) (SNP)
Robison, Shona (Dundee City East) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)
Rowley, Alex (Mid Scotland and Fife) (Lab)
Ruskell, Mark (Mid Scotland and Fife) (Green)
Slater, Lorna (Lothian) (Green)
Smyth, Colin (South Scotland) (Lab)
Somerville, Shirley-Anne (Dunfermline) (SNP)
Stevenson, Collette (East Kilbride) (SNP)
Stewart, Kaukab (Glasgow Kelvin) (SNP)
Stewart, Kevin (Aberdeen Central) (SNP)
Sturgeon, Nicola (Glasgow Southside) (SNP)
Sweeney, Paul (Glasgow) (Lab)
Thomson, Michelle (Falkirk East) (SNP)
Todd, Maree (Caithness, Sutherland and Ross) (SNP)
Torrance, David (Kirkcaldy) (SNP)
Tweed, Evelyn (Stirling) (SNP)
Villalba, Mercedes (North East Scotland) (Lab) [Proxy vote cast by Richard Leonard]
Whitfield, Martin (South Scotland) (Lab)
Whitham, Elena (Carrick, Cumnock and Doon Valley) (SNP)
Wishart, Beatrice (Shetland Islands) (LD)
Yousaf, Humza (Glasgow Pollok) (SNP)

The Presiding Officer: The result of the division on amendment S6M-13679.2, in the name of Murdo Fraser, is: For 29, Against 88, Abstentions 0.

Amendment disagreed to.

The Presiding Officer: The next question is, that amendment S6M-13679.3, in the name of Daniel Johnson, which seeks to amend motion S6M-13679, in the name of Kate Forbes, on Scottish Government priorities: growing the economy, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

The vote is closed.

Edward Mountain (Highlands and Islands) (Con): On a point of order, Presiding Officer. I am not sure whether my vote was counted. I would have voted yes.

The Presiding Officer: I can confirm that your vote was recorded, Mr Mountain.

For

Baker, Claire (Mid Scotland and Fife) (Lab)
Balfour, Jeremy (Lothian) (Con)
Bibby, Neil (West Scotland) (Lab)
Boyack, Sarah (Lothian) (Lab)
Briggs, Miles (Lothian) (Con)
Burnett, Alexander (Aberdeenshire West) (Con)
Carlaw, Jackson (Eastwood) (Con)
Carson, Finlay (Galloway and West Dumfries) (Con)
Choudhury, Foysol (Lothian) (Lab)
Clark, Katy (West Scotland) (Lab)
Dowey, Sharon (South Scotland) (Con)
Duncan-Glancy, Pam (Glasgow) (Lab)
Eagle, Tim (Highlands and Islands) (Con)
Findlay, Russell (West Scotland) (Con)
Fraser, Murdo (Mid Scotland and Fife) (Con)
Gallacher, Meghan (Central Scotland) (Con)
Golden, Maurice (North East Scotland) (Con)
Gosal, Pam (West Scotland) (Con)
Grant, Rhoda (Highlands and Islands) (Lab)
Greene, Jamie (West Scotland) (Con)
Griffin, Mark (Central Scotland) (Lab)
Gulhane, Sandesh (Glasgow) (Con)
Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire) (Con)
Hoy, Craig (South Scotland) (Con)
Johnson, Daniel (Edinburgh Southern) (Lab)
Halcro Johnston, Jamie (Highlands and Islands) (Con)
Kerr, Liam (North East Scotland) (Con)
Leonard, Richard (Central Scotland) (Lab)
Lumsden, Douglas (North East Scotland) (Con)
McArthur, Liam (Orkney Islands) (LD)
McCall, Roz (Mid Scotland and Fife) (Con)
McNeill, Pauline (Glasgow) (Lab)
Mochan, Carol (South Scotland) (Lab)
Mountain, Edward (Highlands and Islands) (Con)
Mundell, Oliver (Dumfriesshire) (Con)
O'Kane, Paul (West Scotland) (Lab)
Rennie, Willie (North East Fife) (LD)
Ross, Douglas (Highlands and Islands) (Con)
Rowley, Alex (Mid Scotland and Fife) (Lab)
Simpson, Graham (Central Scotland) (Con)
Smith, Liz (Mid Scotland and Fife) (Con)
Smyth, Colin (South Scotland) (Lab)
Stewart, Alexander (Mid Scotland and Fife) (Con)
Sweeney, Paul (Glasgow) (Lab)
Villalba, Mercedes (North East Scotland) (Lab) [Proxy vote cast by Richard Leonard]
Wells, Annie (Glasgow) (Con)
White, Tess (North East Scotland) (Con)
Whitfield, Martin (South Scotland) (Lab)
Wishart, Beatrice (Shetland Islands) (LD)

Against

Adam, George (Paisley) (SNP)
Adam, Karen (Banffshire and Buchan Coast) (SNP)
Adamson, Clare (Motherwell and Wishaw) (SNP)
Allan, Alasdair (Na h-Eileanan an Iar) (SNP)
Arthur, Tom (Renfrewshire South) (SNP)
Beattie, Colin (Midlothian North and Musselburgh) (SNP)
Brown, Keith (Clackmannanshire and Dunblane) (SNP)
Brown, Siobhian (Ayr) (SNP)
Burgess, Ariane (Highlands and Islands) (Green)
Chapman, Maggie (North East Scotland) (Green)
Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Constance, Angela (Almond Valley) (SNP)
Dey, Graeme (Angus South) (SNP)
Don, Natalie (Renfrewshire North and West) (SNP)
Doris, Bob (Glasgow Maryhill and Springburn) (SNP)
Dornan, James (Glasgow Cathcart) (SNP)
Dunbar, Jackie (Aberdeen Donside) (SNP)
Ewing, Annabelle (Cowdenbeath) (SNP)
Ewing, Fergus (Inverness and Nairn) (SNP)
Fairlie, Jim (Perthshire South and Kinross-shire) (SNP)
FitzPatrick, Joe (Dundee City West) (SNP)
Forbes, Kate (Skye, Lochaber and Badenoch) (SNP)
Gibson, Kenneth (Cunninghame North) (SNP)
Gilruth, Jenny (Mid Fife and Glenrothes) (SNP)
Gougeon, Mairi (Angus North and Mearns) (SNP)
Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
Gray, Neil (Airdrie and Shotts) (SNP)
Greer, Ross (West Scotland) (Green)
Harper, Emma (South Scotland) (SNP)
Harvie, Patrick (Glasgow) (Green)
Haughey, Clare (Rutherglen) (SNP)
Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
Hyslop, Fiona (Linlithgow) (SNP)
Kidd, Bill (Glasgow Anniesland) (SNP)
Lochhead, Richard (Moray) (SNP) [Proxy vote cast by Jamie Hepburn]
MacDonald, Gordon (Edinburgh Pentlands) (SNP)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Mackay, Gillian (Central Scotland) (Green)
Mackay, Rona (Strathkelvin and Bearsden) (SNP)
Macpherson, Ben (Edinburgh Northern and Leith) (SNP)
Maguire, Ruth (Cunninghame South) (SNP)
Martin, Gillian (Aberdeenshire East) (SNP)
Mason, John (Glasgow Shettleston) (SNP)
McAllan, Màiri (Clydesdale) (SNP)
McKee, Ivan (Glasgow Provan) (SNP)
McLennan, Paul (East Lothian) (SNP)
McMillan, Stuart (Greenock and Inverclyde) (SNP)
McNair, Marie (Clydebank and Milngavie) (SNP)
Minto, Jenni (Argyll and Bute) (SNP)
Nicoll, Audrey (Aberdeen South and North Kincardine) (SNP)
Regan, Ash (Edinburgh Eastern) (Alba)
Robertson, Angus (Edinburgh Central) (SNP)
Robison, Shona (Dundee City East) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)
Ruskell, Mark (Mid Scotland and Fife) (Green)
Slater, Lorna (Lothian) (Green)
Somerville, Shirley-Anne (Dunfermline) (SNP)
Stevenson, Collette (East Kilbride) (SNP)
Stewart, Kaukab (Glasgow Kelvin) (SNP)
Stewart, Kevin (Aberdeen Central) (SNP)
Sturgeon, Nicola (Glasgow Southside) (SNP)
Thomson, Michelle (Falkirk East) (SNP)
Todd, Maree (Caithness, Sutherland and Ross) (SNP)
Torrance, David (Kirkcaldy) (SNP)
Tweed, Evelyn (Stirling) (SNP)
Whitham, Elena (Carrick, Cumnock and Doon Valley) (SNP)
Yousaf, Humza (Glasgow Pollok) (SNP)

The Presiding Officer: The result of the division on amendment S6M-13679.3, in the name of Daniel Johnson, is: For 49, Against 67, Abstentions 0.

Amendment disagreed to.

The Presiding Officer: The next question is, that amendment S6M-13679.1, in the name of Maggie Chapman, which seeks to amend motion S6M-13679, in the name of Kate Forbes, on Scottish Government priorities: growing the economy, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Adam, George (Paisley) (SNP)
Adam, Karen (Banffshire and Buchan Coast) (SNP)
Adamson, Clare (Motherwell and Wishaw) (SNP)
Allan, Alasdair (Na h-Eileanan an Iar) (SNP)
Arthur, Tom (Renfrewshire South) (SNP)
Baker, Claire (Mid Scotland and Fife) (Lab)
Beattie, Colin (Midlothian North and Musselburgh) (SNP)
Bibby, Neil (West Scotland) (Lab)
Boyack, Sarah (Lothian) (Lab)
Brown, Keith (Clackmannanshire and Dunblane) (SNP)
Brown, Siobhian (Ayr) (SNP)
Burgess, Ariane (Highlands and Islands) (Green)
Chapman, Maggie (North East Scotland) (Green)
Choudhury, Foysol (Lothian) (Lab)
Clark, Katy (West Scotland) (Lab)
Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
Constance, Angela (Almond Valley) (SNP)
Dey, Graeme (Angus South) (SNP)
Don, Natalie (Renfrewshire North and West) (SNP)
Doris, Bob (Glasgow Maryhill and Springburn) (SNP)
Dornan, James (Glasgow Cathcart) (SNP)
Dunbar, Jackie (Aberdeen Donside) (SNP)
Duncan-Glancy, Pam (Glasgow) (Lab)
Ewing, Annabelle (Cowdenbeath) (SNP)
Ewing, Fergus (Inverness and Nairn) (SNP)
Fairlie, Jim (Perthshire South and Kinross-shire) (SNP)
FitzPatrick, Joe (Dundee City West) (SNP)
Forbes, Kate (Skye, Lochaber and Badenoch) (SNP)
Gibson, Kenneth (Cunninghame North) (SNP)
Gilruth, Jenny (Mid Fife and Glenrothes) (SNP)
Gougeon, Mairi (Angus North and Mearns) (SNP)
Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
Grant, Rhoda (Highlands and Islands) (Lab)
Gray, Neil (Airdrie and Shotts) (SNP)
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)
Kidd, Bill (Glasgow Anniesland) (SNP)
Leonard, Richard (Central Scotland) (Lab)
Lochhead, Richard (Moray) (SNP) [Proxy vote cast by Jamie Hepburn]
MacDonald, Gordon (Edinburgh Pentlands) (SNP)
MacGregor, Fulton (Coatbridge and Chryston) (SNP)
Mackay, Gillian (Central Scotland) (Green)
Mackay, Rona (Strathkelvin and Bearsden) (SNP)
Macpherson, Ben (Edinburgh Northern and Leith) (SNP)
Maguire, Ruth (Cunninghame South) (SNP)
Martin, Gillian (Aberdeenshire East) (SNP)
Mason, John (Glasgow Shettleston) (SNP)
McAllan, Màiri (Clydesdale) (SNP)
McArthur, Liam (Orkney Islands) (LD)
McKee, Ivan (Glasgow Provan) (SNP)
McLennan, Paul (East Lothian) (SNP)
McMillan, Stuart (Greenock and Inverclyde) (SNP)
McNair, Marie (Clydebank and Milngavie) (SNP)
McNeill, Pauline (Glasgow) (Lab)
Minto, Jenni (Argyll and Bute) (SNP)
Mochan, Carol (South Scotland) (Lab)
Nicoll, Audrey (Aberdeen South and North Kincardine) (SNP)
O'Kane, Paul (West Scotland) (Lab)
Regan, Ash (Edinburgh Eastern) (Alba)
Rennie, Willie (North East Fife) (LD)
Robertson, Angus (Edinburgh Central) (SNP)
Robison, Shona (Dundee City East) (SNP)
Roddick, Emma (Highlands and Islands) (SNP)
Rowley, Alex (Mid Scotland and Fife) (Lab)
Ruskell, Mark (Mid Scotland and Fife) (Green)
Slater, Lorna (Lothian) (Green)
Smyth, Colin (South Scotland) (Lab)
Somerville, Shirley-Anne (Dunfermline) (SNP)
Stevenson, Collette (East Kilbride) (SNP)
Stewart, Kaukab (Glasgow Kelvin) (SNP)
Stewart, Kevin (Aberdeen Central) (SNP)
Sturgeon, Nicola (Glasgow Southside) (SNP)
Sweeney, Paul (Glasgow) (Lab)
Thomson, Michelle (Falkirk East) (SNP)
Todd, Maree (Caithness, Sutherland and Ross) (SNP)
Torrance, David (Kirkcaldy) (SNP)
Tweed, Evelyn (Stirling) (SNP)
Villalba, Mercedes (North East Scotland) (Lab) [Proxy vote cast by Richard Leonard]
Whitfield, Martin (South Scotland) (Lab)
Whitham, Elena (Carrick, Cumnock and Doon Valley) (SNP)
Wishart, Beatrice (Shetland Islands) (LD)
Yousaf, Humza (Glasgow Pollok) (SNP)

Against

Balfour, Jeremy (Lothian) (Con)
Briggs, Miles (Lothian) (Con)
Burnett, Alexander (Aberdeenshire West) (Con)
Carlaw, Jackson (Eastwood) (Con)
Carson, Finlay (Galloway and West Dumfries) (Con)
Dowey, Sharon (South Scotland) (Con)
Findlay, Russell (West Scotland) (Con)
Fraser, Murdo (Mid Scotland and Fife) (Con)
Gallacher, Meghan (Central Scotland) (Con)
Golden, Maurice (North East Scotland) (Con)
Gosal, Pam (West Scotland) (Con)
Greene, Jamie (West Scotland) (Con)
Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire) (Con)
Hoy, Craig (South Scotland) (Con)
Halcro Johnston, Jamie (Highlands and Islands) (Con)
Kerr, Liam (North East Scotland) (Con)
Lumsden, Douglas (North East Scotland) (Con)
McCall, Roz (Mid Scotland and Fife) (Con)
Mountain, Edward (Highlands and Islands) (Con)
Mundell, Oliver (Dumfriesshire) (Con)
Ross, Douglas (Highlands and Islands) (Con)
Simpson, Graham (Central Scotland) (Con)
Smith, Liz (Mid Scotland and Fife) (Con)
Stewart, Alexander (Mid Scotland and Fife) (Con)
Wells, Annie (Glasgow) (Con)
White, Tess (North East Scotland) (Con)

The Presiding Officer: The result of the division on amendment S6M-13679.1, in the name of Maggie Chapman, is: For 88, Against 26, Abstentions 0.

Amendment agreed to.

The Presiding Officer: The final question is, that motion S6M-13679, in the name of Kate Forbes, on Scottish Government priorities: growing the economy, as amended, be agreed to.

Motion, as amended, agreed to,

That the Parliament recognises that Scotland's abundant natural resources and hugely talented people mean that there is opportunity to build a strong, successful and inclusive economy that realises the new opportunities from

the transition to net zero and the digital revolution; acknowledges that Scotland's economic potential can be realised through actions to support entrepreneurs, promote science and technology and ensure that the track record of innovation is translated into new businesses and improvements in productivity in all sectors of the economy; agrees that doing so will build Scotland's global reputation as a great place to do business, grow exports and secure international and domestic investment; acknowledges the important contribution that community and social enterprises, cooperatives and other not-for-profit structures make to local economies, including local resilience and community wealth building; recognises the need to promote science and technology, but also creative and caring work that sustains Scotland's society and culture, and agrees that proper investment in the green economy is required to deliver the urgent transformations that are needed to develop an economy that has equality and fairness at its heart.

17:10

Members' business will be published tomorrow, 20 June 2024, as soon as the text is available.

Women's State Pension Age (Parliamentary and Health Service Ombudsman Report)

The Deputy Presiding Officer (Liam McArthur): The final item of business is a members' business debate on motion S6M-12612, in the name of Clare Haughey, on the publication of the WASPI—women against state pension inequality—Parliamentary and Health Service Ombudsman final report.

The debate will be concluded without any question being put. I invite members who wish to participate to press their request-to-speak buttons now.

Motion debated,

That the Parliament notes the findings from the UK Parliamentary and Health Service Ombudsman (PHSO) final report into the women's State Pension age and associated issues, published on 21 March 2024; understands that the PHSO has made a finding of failings by the Department for Work and Pensions (DWP) in this case, and has ruled that the women affected are owed compensation; believes that women born in the 1950s have been treated unfairly by accelerated changes to the State Pension age, under the Pensions Act 1995 and subsequent legislation, and that the changes were not adequately communicated to them; understands that the report finds that many 1950s-born women have experienced financial loss and a negative impact on their health, emotional wellbeing and home life as a result; further understands that around 3.6 million women are impacted, including an estimated 5,000 in the Rutherglen constituency; recognises that, in its stage one report published in 2021, the PHSO found "maladministration" on two counts, the first being in 2005 when the DWP failed to make a reasonable decision about targeting information to the women affected by these changes, and the second being when the DWP proposed, in 2006, writing to women individually to tell them about changes to the State Pension age, but reportedly failed to act promptly; regrets that, as per the findings in the final ombudsman report, the DWP has not acknowledged its failings nor put things right for those women affected, and that it has failed to offer any apology or explanation for its failings and has indicated that it will not compensate women affected by its failure; notes the reported comments by the PHSO chief executive, Rebecca Hilsenrath, that given the "significant concerns" that it has that the DWP will "fail to act on" its findings, and "given the need to make things right for the affected women as soon as possible" the PHSO has "proactively asked Parliament to intervene and hold the Department to account"; understands that the level of compensation recommended by the PHSO is between £1,000 and £2,950; notes, however, that in its submission to the PHSO, the UK Parliament's All-Party Parliamentary Group on State Pension Inequality for Women argued for compensation at Level 6 on the PHSO scale, of £10,000 or more; pays tribute to what it considers to be the tenacity, commitment and resolve of Women Against State Pension Inequality (WASPI) campaigners who, it considers, despite experiencing what it sees as setback after setback from the UK Government, the PHSO, and in court, have never given up fighting for justice; highlights estimates from the WASPI campaign that, in the past nine years, an estimated 270,000 women impacted have sadly passed away without seeing proper compensation; believes that the WASPI

activists have been vindicated in their lengthy campaigning for pensions justice by the PHSO's findings, and notes the calls for the UK Government and UK Parliament to act swiftly and set up a fair compensation scheme without delay in order to resolve this long-standing issue.

17:13

Clare Haughey (Rutherglen) (SNP): I am delighted to have secured this debate on the WASPI campaign and the United Kingdom Parliamentary and Health Service Ombudsman's final report. I thank colleagues from my party, and from the Green party, who supported the motion.

Established in 2015, the WASPI campaign was set up to protest against the way in which the state pension age for men and women was equalised. The Conservative Government's Pensions Act 1995 included plans to increase women's state pension age from 60 to 65, so that it was the same as the age for men. The Pensions Act 2007 introduced a series of increases, starting with a state pension age of 66 between 2024 and 2026, and ending with an increase to 68 between 2044 and 2046.

The Tory and Liberal Democrat coalition Government then introduced the Pensions Act 2011, which accelerated the equalisation of women's state pension age by 18 months and brought forward, by five and a half years, the increase in men's and women's state pension age to 66. Those changes impacted an estimated 3.8 million women who were born in the 1950s, including more than 5,000 in the Rutherglen Westminster constituency. Many had had little or no notice of the changes, which meant that it was too late for them to do any proper financial planning.

I know that MSPs of all parties will have heard from constituents about the impact that the changes had on them. For example, there were those who took early retirement as a result of their own ill health or that of their partner, and who had to go back to work as they belatedly found out that they were not able to receive their pension until years later than they had anticipated. There were people who had to sell their homes, and people who lost all their savings. However, it is about not just the financial hardship, but the emotional distress and the health issues that the situation caused for people.

The tenacity, commitment and resolve of the WASPI women has been quite remarkable. In September 2016, I had the privilege of attending a WASPI march in Glasgow, and I have been delighted to work closely with some of the organisers ever since. My constituent Anne Potter has been one of the key figures in the campaign in Scotland, having set up the Glasgow, Lanarkshire, Dunbartonshire and Renfrewshire WASPI branch in 2016. Anne and other activists, including Kathy McDonald and Rosie Dickson, have organised protests, handed out countless flyers, spoken to print and broadcast media, lobbied politicians at party conferences, and much more. They have kept the WASPI case at the forefront of politicians' minds ever since, and they have done that despite setback after setback as a result of the intransigence of the UK Government, delays to the PHSO report and defeats in court. Throughout the whole process, the WASPI campaigns have always known that they were right and that they had suffered an injustice.

After around five years, the PHSO published its final report into the issue. In the summary of the complaint and the ombudsman's findings, the report referred to

"2004 research that DWP was considering in August 2005",

which

"showed that ... overall, more than half of women affected by the 1995 Pensions Act did not know their State Pension was 65, or between 60 and 65."

The ombudsman also found that the UK Government had failed to

"give due weight to ... relevant considerations".

For example, the 2004 research had recommended that information "should be 'appropriately targeted'". Despite the UK Government having identified that it could do more, it "failed to provide" the public with as much information as possible.

In addition, the ombudsman's report found that the Department for Work and Pensions did not "act promptly" enough on its proposal of November 2006 to write directly to women who were affected to tell them about the changes to the state pension age. It also

"failed ... to give due weight to how much time had already been lost since the 1995 Pensions Act."

The WASPI position has finally been vindicated with the publication of the PSHO's report. The "maladministration" by the UK Government has now been confirmed, and the ombudsman has been clear that a compensation scheme must be established.

However, like the WASPI women themselves, I am deeply disappointed at the level of compensation that is being suggested. The PHSO recommends compensation levels equivalent to level 4 on its banding scale; that is between £1,000 and £2,950. Compensating all women who were born in the 1950s at the level 4 range would involve spending between £3.5 billion and £10.5 billion of public funds. However, that amount must be considered in context: the UK Government has saved £181.4 billion purely by raising the state pension age of those women.

There has been dither and delay from the Tories over many years. They have had years to resolve this injustice without forcing women to go to the ombudsman or to courts for resolution, and they have had months to respond in full to the PHSO report. However, just as the Tory Government has failed the WASPI women, the same is true of Labour. For years, scores of Labour members of Parliament and MSPs have been vocal in their support for the WASPI campaign. Labour politicians have happily posed for photographs, signed pledges and offered warm words, but at the point at which they should be honouring their promises and paying what is due, they have reneged on the deal. There is not one word in Labour's manifesto about the WASPI campaign, and we have heard nothing from Sir Keir Starmer or from Anas Sarwar. They have backtracked and U-turned, as they have done on numerous policy positions in recent months. A whiff of power in number 10, and they have abandoned the women who had trusted them to fulfil their promises.

Paul O'Kane (West Scotland) (Lab): The member is inaccurate in saying that there have been no words from Keir Starmer. When he was in Scotland to launch the first six steps for a Labour Government, he said that there is a duty on the next Government to look at the report and to act on it, so he has clearly outlined that that is important.

Clare Haughey: More warm words there from the Labour Party—but no action.

Labour has abandoned the WASPI women, but we in the Scottish National Party never will. We have been there with them from the very beginning, and we will be with them until they have received fair compensation. Even as long ago as June 2016, the SNP Westminster group commissioned a report on potential financial remedies for WASPI women; however, it was ignored. Prior to the UK Parliament being dissolved, my SNP colleague at Westminster, Alan Brown, lodged a private members' bill that would have set up a framework to pay the women "fair and fast compensation".

The SNP manifesto, which was published today, states that we will

"Stand up for WASPI women by pressing the UK Government to deliver full, fast and fair compensation for women who have been wronged by pension inequality."

Sadly, around 290,000 WASPI women have died since the start of the campaign; another dies every 13 minutes.

The WASPI scandal has gone on for too long. The PHSO report is clear: the WASPI women have been the victims of "maladministration" and they are entitled to compensation, so what are Labour and the Tories going to do? What are they waiting for? Let us give the WASPI women what they are due, and give it to them as a priority in the new Westminster Parliament.

The Deputy Presiding Officer: We move to the open debate.

17:21

Finlay Carson (Galloway and West Dumfries) (Con): I think that it is fair to assume that we all, in one way or another, support the WASPI campaign, and I believe that it is only right that the Parliament has come together on the issue. The WASPI women deserve justice, and few can deny that fact. Sadly, as Clare Haughey mentioned, some of the people who started out on this journey are no longer with us, and some of those who have bravely fought this battle have not seen justice, which is, to say the least, regrettable.

Nevertheless, it is crucial that we in this Parliament consider the PHSO's report and the wider campaign. The PHSO's recommendations are very clear, including financial compensation for women who are affected by the change, the maladministration of which is clearly identified in the report. It has taken five years for the PHSO to conclude its report, and it is only fit and proper that the recommendations are taken on board and—crucially—acted on by the next UK Government.

As both the First Minister and the Scottish Conservative leader, Douglas Ross, agreed only last week, this issue is not, and should not be, a political issue, and it is very sad that the debate's instigator decided to concentrate on that in her speech. There is absolutely no reason why the SNP Government could not step in and take action—[*Interruption*.]—so it is disappointing that this debate, which is about the WASPI women, has been turned into a political debate—[*Interruption*.]

Clare Adamson (Motherwell and Wishaw) (SNP): Will the member take an intervention?

Clare Haughey *rose*—

Finlay Carson: No, I will not take an intervention, thank you very much—[*Interruption*.]

I will take an intervention from Clare Haughey.

Clare Haughey: I thank Finlay Carson for labelling me an "instigator". I am quite happy to be an instigator on behalf of the WASPI campaign.

Pensions are fully reserved to Westminster; this is a mess that Westminster has made. It is not for this Parliament to clear up the mess there. The WASPI women have been clear in their campaign that they want all women across the UK to be compensated.

Finlay Carson: I thank the member for the intervention, but she did not answer my point. There is no reason that the Scottish Government could not take action. There is nothing— [*Interruption*.]

There is nothing to prevent that from happening. It is all very well you putting things in your manifesto, when you are expecting someone else to deliver it—

The Deputy Presiding Officer: Speak through the chair.

Finlay Carson: —when the Scottish Government could stand up and deliver support for the WASPI women.

I will move away from the political argument, however, because that is not what my contribution tonight is about. It is a testament to the WASPI women, who have successfully managed to get people from across the political spectrum to listen to the issues and concerns. Crucially, the PHSO remains non-partisan and has listened carefully to the women and accepted that there was "maladministration". It is important to remember that the report could not look at whether it was right to change the state pension age for women, and no WASPI women whom I have encountered have been against equalisation—rather, they are against how the decision was communicated.

When the state pension was introduced in the 1940s, it had differential ages: 65 for men and 60 for women. In 1993, the then Chancellor of the Exchequer, Ken Clarke, announced that the Government would equalise the state pension age at 65 over a 10-year period, starting in 2010. A year on from 2010, the coalition Government accelerated that equalisation process while, at the same time, raising the relevant age to 66. That meant that the state pension age for women would reach 65 in November 2018 and that the increase to 66 would apply by October 2020.

All along, I have maintained that the Government let many people down by retrospectively changing the rules, which effectively threatened their retirement plans and threw them into chaos. Speaking as a member of a party that looks to individuals to be responsible for their finances, that was more than regrettable.

The Parliamentary and Health Service Ombudsman service has since released the findings of its investigation into how the Department for Work and Pensions communicated those changes. It concluded that, in 2005, the DWP had failed to make a responsible and reasonable decision about targeting information to the women affected by the changes, and stated that "That was maladministration". The DWP had proposed to write to women individually, to tell them about the changes to the state pension age, but it had "failed to act promptly". Unfortunately, the PHSO has made it clear that it is not able to recommend that the DWP reimburse lost pensions, because that would be outside its legal remit.

This issue should be one of the first that the next UK Government tackles, regardless of which party triumphs, and that should include determining the level of compensation to be paid out.

17:26

Ruth Maguire (Cunninghame South) (SNP): As many as 3.8 million women were given the news that their state pension age would increase from 60 to 66 just as they were about to retire—when it was too late for them to do any proper financial planning. Such maladministration warrants not only an apology but action. It is an injustice for which women must be promptly and properly compensated by the UK Government.

I congratulate Clare Haughey on securing cross-party support for this important debate. She has consistently spoken up, both in the Parliament and in her community, for the women who have been so wronged by that maladministration.

I also wish to congratulate the WASPI women on their campaign so far. I was pleased to meet Ayrshire WASPI campaigners outside the Parliament as they rallied in the past month or so. However, it was terribly sad to hear that not all the women whom I had previously met are still with us. Their loss compounds the huge sense of injustice that is felt.

What was good to hear was that the women felt well supported by their Ayrshire MPs—in particular, Patricia Gibson, who has represented North Ayrshire and Arran with distinction. I know that it is not only WASPI women who hope that she will be re-elected.

The Scottish National Party will never abandon the WASPI women. We demand justice and compensation for them, and we will not rest until they have it. Clare Haughey's motion rightly highlights cross-party commitments to delivering justice for the women who have been affected, and I know that there is cross-party support for them in the Scottish Parliament. Unfortunately, any action must come from elsewhere.

I could make arguments about fairness and equality for women, and note how a similar cohort of men would never have been treated in the same way. I could talk, too, about the impact of that injustice on families and children—on children missing out on quality time with their grandparents, adult children missing out on practical support with bringing up their own

children, and ageing parents missing out on support and care. However, such arguments are likely to fall on deaf ears. For all those people, we need to take action. In my judgment, any UK Prime Minister—whether he comes with a red tie or a blue one—who continues with a two-child benefit cap and a rape clause will not be particularly persuadable on arguments about fairness for women and families.

Let me make an argument for righting that wrong and for awarding fair and fast compensation to the 1950s women, whom I hope will be valued by an incoming PM. The awarding of such compensation could result in millions of pounds going into local economies. Figures that have been provided to me by the Ayrshire WASPI women from the House of Commons library briefing paper on the topic show that if the 15,000 women in Ayrshire who have been deprived of a full six years of their state pension entitlement were to be compensated by only a quarter of what is owed to them, it would result in £150 million being spent in local communities. In our local economies, that would mean benefits for business and, in turn, employment and training opportunities.

Women told me that being able to retire would help them to take up volunteering roles, which would contribute to the community and to their personal wellbeing. They spoke of the employment opportunities that would open up for younger people when the WASPI women retired, of the health and wellbeing implications of retirement, and of the value of being able to spend more time with grandchildren and supporting parents to work, which brings more money into households and eases money pressures and worries. There would be clear economic and social benefits from righting that wrong.

In addition, more than 60 per cent of the money concerned would go back into the Treasury in income tax, national insurance and VAT paid by women and local businesses. Therefore, the net cost to the UK Government of doing the right thing would be substantially lower than the gross cost.

The Deputy Presiding Officer: I gently remind members that there should be no electioneering in the chamber.

17:30

Paul O'Kane (West Scotland) (Lab): I welcome the chance to debate these issues again and to highlight the WASPI women's campaign.

As I set out when we last debated the issue, at the beginning of May, in Government time, Scottish Labour welcomed the publication of the PHSO's detailed report, which, rightly, should command the attention of us all. We had already started to hear about the desire for members to focus on the report and consider it in great detail. Since our previous debate, though, it appears that the report's findings have not commanded the full attention of the current Conservative UK Government.

More than two months passed between the report's publication in March and the Prime Minister's announcement that he was calling a general election in July. During that period, despite calls from campaigners and Opposition parties to publish a full statement and response to the report, the Conservative Government utterly failed to do so. It has had the power to respond, but it has chosen not to do so and to kick the issue into the long grass. As other members have articulated, I do not think that it is right that the UK Government did not take that opportunity to respond while it had access to the information that sits with the Treasury and the DWP.

Following the general election, it will be for the next UK Government to carefully consider the report's recommendations in full. If Labour is fortunate enough to be elected, we will work to give the report proper consideration. As we have done from the start, we will listen respectfully to the women who have been involved in this injustice. We have to recognise that this is an injustice, as other members have articulated during the debate so far.

We should reflect on the important issues that Ruth Maguire highlighted about the injustice that women, in particular, have experienced in this context. Speaking as a man, I am very conscious of the imbalance in rights and the challenge that exists in trying to achieve equality.

We should also speak of the campaigners, who have been tireless and ferocious in highlighting inequalities and trying to set things right. As I did in May, I take the opportunity to thank them and, indeed, everyone who contributed to the PHSO's report. Recently, I met WASPI campaigners in Renfrewshire and Inverclyde. We had a constructive discussion about the issues highlighted in the report, the redress that they would like to see and what the next steps might be for any incoming Government.

It is clear that there are a number of challenges. As I have said, we have not had access to all the information that sits with the Treasury and the DWP. It is important that, if the response to the report includes establishing a compensation scheme, the scheme be agreed by those who have been affected. We must ensure that it commands their confidence and meets the aspirations of those who seek redress, perhaps at varying levels. We must also ensure, of course, that the scheme can be properly and fully funded

and that the commitment is not made and then not delivered properly.

We know that there are significant challenges not only in relation to the WASPI women but in righting injustices such as the infected blood scandal and the Post Office Horizon scandal. The Windrush generation has not yet been properly compensated, either. The incoming UK Government will have a huge amount of work in its in-tray, which, quite frankly, has not been addressed by the current Conservative Government. It is clear to me that that might take time and that there will be competing interests, but it is important that we consider the report in full and have the Government respond. If Labour is fortunate enough to form that incoming Government, that is what we will do. We will work hand in hand with the WASPI women. We will ensure that we do not make promises that we cannot keep, that justice is done and that there is redress.

17:34

Rona Mackay (Strathkelvin and Bearsden) (SNP): I thank my colleague Clare Haughey for her passionate campaigning on behalf of the WASPI campaign group and for lodging the motion for debate.

Women who were born in the 1950s have been cheated out of their money by the UK Government—it is as simple as that. That money is not a benefit; it is rightfully theirs, and they worked hard for it for many years.

I first spoke in a debate on the issue in the chamber in 2017, and here we are again. Women are still waiting, and empty promises are being made. Clare Haughey's motion says it all: this is a long-running, depressing saga that, I believe, deserves the same focus as there has been on the sub-postmasters scandal. However, the blame for this one can be laid fairly and squarely at the door of the DWP. The PHSO report clearly states that, and it also states, crucially, that the women deserve compensation now.

As we have heard from members across the chamber, about 3.8 million women have been impacted. I am a WASPI woman, but I am in the extremely fortunate position of still being able to be working and earning, unlike the thousands of women in Scotland and throughout the UK who were cheated out of their pension. I certainly do not feel the impact as they do.

Nonetheless, the bottom line is that women of all backgrounds and means have been cheated out of their money. They have experienced severe financial loss, which has had a negative impact on their health, emotional wellbeing and home life as a result. Sadly, about 270,000 women have not survived to see justice.

Unlike the Labour Party and the Tory party, the SNP Government will not rest until WASPI women receive the overdue justice that they deserve. Warm words and posing for pictures do not cut it—the UK parties must put their money where their mouth is. Indeed, the incoming Labour chancellor, Rachel Reeves, has confirmed that there is no commitment to payments in the Labour manifesto. She has said:

> "we won't put forward anything that is not fully costed and fully-funded and I have not set out any money for this."

That is shameful.

The Scottish Government has welcomed the findings of the PHSO's report, which highlights the damning communication failures of the UK Government. However, after years of promises being made by Labour and Tory members, those parties are both now refusing to accept the report's recommendations to fully compensate the women who have been impacted. That is not just disappointing but a betrayal of every WASPI woman. Those women deserve so much better: they deserve full, fair and fast compensation.

The amount of compensation that the PHSO report recommends is unrealistic and downright insulting. Many women have lost upwards of £40,000 of the pension that they would have had if they had retired at 60 as planned. That might not matter to the people of inherited wealth who make these decisions or to highly paid civil servants with huge pension pots, but for millions of hard-working women in Scotland and throughout the UK, it is devastating. The WASPI campaigners agree with the equalisation of pensions. However, the core of the campaign's argument concerns the unfair and unjust way in which the changes were implemented, as we now know.

There are hundreds of local WASPI groups throughout Scotland, with courageous campaigners refusing to give up and be demoralised. They will not stop until justice is done, and the SNP will be with them every step of the way in their fight for justice.

17:38

Maggie Chapman (North East Scotland) (Green): Every 13 minutes, a WASPI woman—a woman who might have lost several years-worth of her pension; maybe as much as £42,000—dies without justice, so I am grateful to Clare Haughey for lodging her important motion and for securing the debate.

Most of all, I thank the women, such as Linda Carmichael and Lorraine Rae in Aberdeen, whose positive and determined campaigning is

celebrated and supported today. I thank them for all that they have done and all that they continue to do—Scottish Greens stand in solidarity with them, and we will do so until they receive the apology and the compensation that they deserve.

This is a debate about justice—justice for the women who have been directly affected and for their families and their wider communities. It is also about pension justice for everyone, because the injustices that the WASPI women have suffered mirror other pension injustices such as the wider gender pension gap, the devastating loss of pension benefits that has been imposed by unilateral scheme changes, and the excessive retirement ages for demanding and dangerous professions such as prison officers and emergency workers.

It is a debate, too, about equality. The women whose voices we echo today do not object to pension equalisation. They might justifiably do so, however, remembering the gross unfairness that characterised much of their careers. Many of them might point out that their wages were a fraction of what their male counterparts received; that they were barred from company pension schemes and obliged to choose between work and motherhood, and even marriage; and that they hit their heads on glass ceilings and are expected to live longer, with greater care needs, sustained by significantly smaller pension pots.

17:42

Marie McNair (Clydebank and Milngavie) (SNP): I thank Clare Haughey for securing this important debate and for her commitment to justice. How we treat our pensioners should define our country, but they have been forced into poverty. WASPI women worked tirelessly throughout their lives only to find themselves facing a dreadful delay to receiving their pension. That has left many struggling to make ends meet and facing financial uncertainty at a time when they should be able to retire after decades of work.

In my constituency, it is estimated that more than 4,700 women in East Dunbartonshire and more than 6,000 in West Dunbartonshire have been affected by the changes to the state pension age. The final PHSO report is clear on the failures of successive UK Governments and of the DWP. That comprehensive investigation has found that

"thousands of women may have been affected by DWP's failure to adequately inform them that the State Pension age had changed."

The report is clear that those women are owed compensation, but the amount that is suggested of between £1,000 and £2,950 per person is a paltry sum. I echo WASPI women's calls for any UK Government to consider higher levels of compensation to reflect the decades of mistreatment.

It is shameful that the women have still not received a formal apology or explanation from the Government, and it is even more worrying that the PHSO chief executive has

"significant concerns"

that the DWP will

"fail to act on"

the findings. The truth is that there will be no change under a Westminster regime.

It is a matter of days until there is a new UK Government, which is likely to be a Labour one. In contrast, it is a matter of days ago that, in this chamber, Paul O'Kane said:

"Labour supports the delivery of justice for WASPI women",

and Katy Clark said that the next UK Government

"must deliver justice and compensation to those women."—[*Official Report*, 1 May 2024; c 44, 55.]

Here we are, and the manifestos are out—the real and the fictitious. There is no honest decency and integrity. I have searched the Labour manifesto and there is no mention of the courageous WASPI women. I even played the game and searched the fictitious Scottish Labour branch office manifesto and—no surprise—following orders, there is no mention in that either. Make no mistake: if you are a WASPI woman, the Labour Party and the Tories are not on your side.

What the women object to—and rightly so, as the UK Parliamentary and Health Service Ombudsman has confirmed in its final report—is the way in which equalisation was carried out. That was far from equal and far from just. It was unjust in the speed with which it was rolled out, with the UK Government ignoring expert advice; it was unjust in the lack of proper consultation; and it was unjust in the abject failure to inform women of that major change to their circumstances and that fundamental disruption to their lives and retirement plans.

Many women have suffered severe financial loss as a result of that failure. Some have been able to find work, albeit not work that they would have chosen, not with the wages that they would have chosen and not at the times that they would have chosen. Others, bearing health problems or committed to caring for others, have not even had those minimal opportunities for mitigation.

Families have suffered—ageing parents, husbands, wives, partners, children and grandchildren. Communities have suffered, losing activists and volunteers, as well as the pensions that would have been spent in local businesses

and social enterprises. We have all, to some extent, suffered from yet another example of Government incompetence, slapdash policy making and indifference to the lives and wellbeing of the people whom it is supposed to serve.

In the last fortnight of this venal UK Government's plummet from power, we do not expect very much, but it could surprise us. On the way out, it could discover a forgotten ounce of common decency—enough to fuel an apology and a decent level of compensation. We will certainly expect the next occupiers to do that.

When the WASPI women started school, like many of us, they were told to sit down on their allocated chairs, to listen to the teacher and not to speak without putting up their hand. Now, with a lifetime of wisdom and experience, they know that sometimes people should not sit down and they should not shut up. I will sit down and shut up soon, but only to hear more voices of solidarity. The Scottish Greens and I will continue to stand and shout with the WASPI women, as loudly as we can, in their urgent call for equality and justice.

The Labour Party has decided that WASPI women do not matter to it. By contrast, only days ago, our First Minister, John Swinney, reaffirmed the SNP's position and its concrete commitment in support of full, fair and fast compensation for WASPI women. It is clear that the SNP will champion their right to fast and fair compensation.

Paul O'Kane: I am disappointed by the way in which the member has chosen to characterise the debate. It is clear in what I said that we need to consider the report. With regard to the SNP's manifesto commitment, has she costed how much the compensation would be, and will she say how it will be paid for? I think that those are fair questions.

Marie McNair: No, I have not. The member must be shocked that it is not in Labour's manifesto. There was no mention of WASPI women in the commitment that it made just the other week. I will get on with my speech.

Despite constant setbacks, WASPI women have remained steadfast in their resolve. In the face of injustice, they have shown determination and courage. They continue to push on for the estimated 270,000 women who have sadly passed away without seeing compensation. I have seen that at first hand, having met many of the fantastic WASPI women—in particular, the co-ordinator of the West Dunbartonshire WASPI group, Liz Daly, who is a selfless, committed and resilient woman.

Time is unfortunately not on their side, so we need to see immediate action on the issue. Those women are here to stay, and we in the SNP will keep fighting for them, because those women have done enough—they have fought for compensation for nearly a decade. They have done the work and now they have been vindicated by the ombudsman's report.

It is time for Westminster to get to work. We need to see the next UK Government compensate immediately—WASPI women have asked for a commitment within 100 days, so I hope that Labour will make that commitment—or stand aside and let the SNP Government do just that. We must let real change happen. If Labour is really honest, our WASPI women must get the justice they deserve.

17:46

Beatrice Wishart (Shetland Islands) (LD): I, too, extend my thanks to Clare Haughey for bringing this important debate to the chamber.

As the motion highlights, the UK Parliamentary and Health Service Ombudsman published its final report into the women's state pension age and associated issues in March this year. The ombudsman made a finding of failings by the Department for Work and Pensions and ruled that the women affected are owed compensation. I have supported the Women Against State Pension Inequality campaign almost since the campaign began. I am a WASPI woman—I should perhaps confess that, too.

As the deputy convener for the cross-party group on WASPI, I have had the privilege of meeting many campaigners from across Scotland, including from my constituency. I pay tribute to them all. They have been working tirelessly for years to fight for justice. Their courage and sheer dogged determination to never give up deserves our admiration.

Many women have faced poverty and financial hardship as a result of the failings highlighted by the ombudsman. I am pleased that the long-overdue report recognises that WASPI women deserve compensation for the financial hardships that they have suffered as a result of the DWP's maladministration. It is shocking that the Conservative UK Government did not accept the DWP's maladministration. There has been plenty of time for the findings to be considered and for a compensation scheme to be put in place.

The consequences of delay are stark. As Liberal Democrat Wendy Chamberlain said in a debate in Westminster, WASPI women are

"dying without the DWP admitting to its errors, without any acknowledgement of the impact that this has had ... without compensation ... without resolution ... they ... feel that the Government are waiting for them to die ... for the problem literally to cease to exist."—[*Official Report*, *House of Commons*, 16 May 2024; Vol 750, c 495.]

It is quite clearly no way to treat people. I cannot help but feel that underlying ageism and sexism is

playing a role in the Government's response. It is shameful that no compensation has been put in place—the incoming UK Government must do better. The new UK Government must accept the ombudsman's findings, acknowledge the maladministration and swiftly set up a fair compensation scheme for the women affected.

17:49

The Minister for Equalities (Kaukab Stewart): The Scottish Government has been consistent in its calls for the UK Government to immediately right the historic wrong that has been suffered by the WASPI women. I congratulate those campaigners who have relentlessly pursued justice. They should be commended and applauded for their tireless work. I also thank Clare Haughey for securing the debate and for her long-standing campaigning on behalf of the WASPI women.

When the UK Parliamentary and Health Service Ombudsman report was published in March, we immediately called on the UK Government to take action quickly and compensate the women who were impacted. The report identifies the DWP's failure to act promptly in writing to the women who were going to be impacted by the changes in state pension age and it calls for compensation to rectify that maladministration.

It is vital that whoever forms the next UK Government delivers the compensation package as soon as possible. They should listen to the WASPI women's calls for comprehensive compensation and take into account the financial hardship suffered. I am aware that previous debates on the issue have been largely consensual, but I understand the frustrations that have been expressed in the chamber tonight on behalf of the WASPI women.

The PHSO report recommends that the DWP should compensate women born in the 1950s by between £1,000 and £2,950. Although that is welcome, the Government believes that compensation should go further and supports Alan Brown's bill, which has called on the UK Government to publish a compensation framework for WASPI women set at £3,000 to £10,000 or more. The WASPI campaigners also feel that that would be a fairer outcome, given the wider financial hardship that this devastating policy has caused. We were also pleased to see that Patricia Gibson MP secured a debate on 16 May, resulting in the UK Parliament calling on the Government to deliver prompt compensation to the women who were impacted.

As Marie McNair and Beatrice Wishart have noted, the UK Government unfortunately failed to make a clear commitment to delivering that compensation prior to the dissolution of Parliament, pledging only to consider the PHSO report. That stance is repeated in the Conservative manifesto, and there is no mention of WASPI at all in the Labour manifesto.

Finlay Carson talked about this becoming a political issue, but it is undeniable that the WASPI women feel abandoned. Finlay Carson knows fine well that the state pension is a reserved matter that limits what we can do within a devolved competence as the Scottish Government. It is up to the UK Government to take action on that.

To be clear, the PHSO's findings and compensation recommendations are that the DWP mishandled the communication of the equalisation of state pension age. As I said, that clearly puts the responsibility squarely at the door of the UK Government to right its own wrongs and compensate the women who were unfairly affected by the maladministration.

Maggie Chapman talked about her continued commitment to put that injustice right. Women are already fighting an uphill battle for pension savings equality without the UK Government making the situation more difficult. The UK has one of the worst gender pension gaps in the Organisation for Economic Co-operation and Development, and that is from 2023 statistics. Research by the Pensions Policy Institute found that, for women to retire with the same pension savings as men, they would need to work an extra 19 years. My colleague Ruth Maguire talked about the clear gender issues around the WASPI campaign. Clearly, the equalisation of pension age does not mean pension equality, so it is time to stop letting the women down and take action. Rona Mackay also talked about the WASPI women who have, sadly, passed away without receiving justice, and that cannot continue.

The WASPI campaign has been a long and taxing ordeal for the women involved. The PHSO report is a glimmer of light at the end of a very long tunnel. I hope that the incoming UK Government takes notice of the collective voices of the parties across this Parliament and the UK Parliament, that it pledges to take action on the PHSO report, that it finally acknowledges its maladministration and, importantly, that it does the right thing by providing a fair compensation package at the earliest possible opportunity.

Meeting closed at 17:54.

Correction

Màiri McAllan has identified and error in her contribution and provided the following correction.

The Cabinet Secretary for Net Zero and Energy (Màiri McAllan):

At column 29, paragraph 6—

Original text—

Before I come on to the substance of Audrey Nicoll's question, I should say that it is a really important one for her to have asked, given that the 2022 statistics demonstrate that some of the bounce-back in transport emissions was from shipping. It is worth reminding members that Scotland includes international aviation and shipping in our inventory whereas England does not.

Corrected text—

Before I come on to the substance of Audrey Nicoll's question, I should say that it is a really important one for her to have asked, given that the 2022 statistics demonstrate that some of the bounce-back in transport emissions was seen in the aviation and shipping category. It is worth reminding members that Scotland includes international aviation and shipping in our inventory whereas England does not.

Published in Edinburgh by the Scottish Parliamentary Corporate Body, the Scottish Parliament, Edinburgh, EH99 1SP

All documents are available on
the Scottish Parliament website at:

www.parliament.scot

Information on non-endorsed print suppliers
is available here:

www.parliament.scot/documents

For information on the Scottish Parliament contact
Public Information on:

Telephone: 0131 348 5000
Textphone: 0800 092 7100
Email: sp.info@parliament.scot

The Scottish Parliament
Pàrlamaid na h-Alba