



The Scottish Parliament  
Pàrlamaid na h-Alba

## Official Report

# MEETING OF THE PARLIAMENT

Tuesday 27 January 2015

Session 4

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# Scottish Parliament

Tuesday 27 January 2015

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

## Time for Reflection

**The Presiding Officer (Tricia Marwick):** Good afternoon. The first item of business is time for reflection. Our time for reflection leaders today are Lucy Paterson and Kieran Smyth, pupils of St Andrew's RC secondary school in Glasgow.

**Lucy Paterson (St Andrew's RC Secondary School, Glasgow):** Presiding Officer, ladies and gentlemen, thank you for the opportunity to deliver today's time for reflection.

I am Lucy Paterson and this is Kieran Smyth. We attend St Andrew's RC secondary school in Glasgow.

Last October, Kieran and I joined hundreds of other students from Scotland to visit the Nazi concentration and death camp Auschwitz-Birkenau as part of the Holocaust Educational Trust's lessons from Auschwitz project.

I will never forget seeing the belongings of children and babies on display. The clothes and shoes were tiny. There was a broken doll in a cabinet that had been taken from its owner before she was murdered. The doll in the cabinet that had been taken from its owner represented the broken lives of babies and children who had been torn from their parents. It is hard to believe that anybody could harm a tiny child in that way. These children did not know what was going on. Their innocence and vulnerability made it hard to look at the cabinet.

I wonder to this day what the children murdered at Auschwitz could have grown up to do and become had they lived.

**Kieran Smyth (St Andrew's RC Secondary School, Glasgow):** The theme for Holocaust memorial day 2015 is "keep the memory alive"—something we must all strive to do.

Lucy and I heard the testimony of Holocaust survivor Zigi Shipper as part of the project. Zigi told us that at Auschwitz he was stripped of his belongings. His clothes were taken, his head was shaved and valuables such as family photos were taken away from him. It is hard to imagine that Zigi and so many others who went through this tragedy were stripped of their identity.

When I tell people about my experience of the project and ask them to remember the victims, I am sometimes asked, "Why? Why should we

remember something that happened so long ago?" I tell them this. Six million Jewish men, women and children were once murdered. Each one of them deserves to be remembered. We must also remember the stories of those who survived. I want survivors like Zigi to know that their stories will live on because I will retell them as an ambassador for the trust.

The Holocaust also holds particular relevance here in Scotland. The Nazis targeted the Jews of Europe for complete destruction. They persecuted other groups, such as homosexuals, people with disabilities and Roma Gypsies. We know that sectarianism is well documented here in Scotland. There is on-going tension in our communities. The trust's ambassadors around Scotland have seen first hand what happened when persecution was allowed to reach its most extreme form under the Nazi regime. Together we can work to highlight to people here in our communities why we must never again let such a disgraceful crime happen.

I will tell people what I saw and learned at Auschwitz. I want my children and my grandchildren to know why we must never allow the past to repeat itself.

Thank you for your time.

## Topical Question Time

14:03

### Women Prisoners (Interim Arrangements)

**1. Alison McInnes (North East Scotland) (LD):** To ask the Scottish Government, in light of the announcement that plans for HMP Inverclyde have been abandoned, what consideration it has given to interim arrangements for women prisoners in HMP Cornton Vale. (S4T-00910)

**The Cabinet Secretary for Justice (Michael Matheson):** Women prisoners are currently held at Cornton Vale, Edinburgh, Greenock and Grampian. That will continue to be the case until such time as the new facilities are in place. The Scottish Prison Service has taken decisive action to address the shortcomings at Cornton Vale through accommodating women at other facilities and undertaking significant refurbishment work. The SPS will continue to work hard to ensure that the improved conditions for women in custody are maintained, including taking steps to move young women out of Cornton Vale.

Although the Cornton Vale location may still have a use as part of the female prison estate in the future, I am clear that Cornton Vale prison as it is presently configured will have to close. It will be part of our future plans to consider how and when that will take place in line with our new direction.

The Scottish Government remains committed to providing a high-quality custodial environment for women, but I am determined to ensure that we move to the right sort of facilities and take a new approach to how we look after women in custody.

**Alison McInnes:** I warmly thank the cabinet secretary for listening to the voices of reformers and taking a bold decision. I share his ambitions for a fair and progressive justice system, but it is essential in the interim to tackle the known shortcomings in the system. Both the Mental Welfare Commission for Scotland and the European Committee for the Prevention of Torture and Inhuman or Degrading Treatment or Punishment recently commented adversely on the difficulties and delays caused by the lack of high-security mental health provision for women in Scotland. The Government has been urged to put in place arrangements to ensure swift transfer to an appropriate psychiatric facility from prison. Last year, it took more than nine months to transfer an extremely vulnerable prisoner to Rampton secure hospital. In light of the recommendations from those two organisations, what steps has the Scottish Government taken?

**Michael Matheson:** I recognise the member's concern, but she will recognise that having a

secure environment for those with a mental health condition is a matter for the national health service. For example, there is the provision at the state hospital and in our medium and low-security units. I understand the concern that the member has raised, and I am determined to ensure that we have facilities, particularly in the prison estate, that are fit for purpose.

Following the decision that I made regarding Inverclyde, I want to ensure that we have processes in the criminal justice system that are much more focused on dealing with the underlying causes of criminal activity, and mental health is one of those factors. The system, whether that is the Scottish Prison Service, the NHS or other partners, needs to work much more collectively and effectively in achieving that, including in the provision of custody facilities. As we go forward in the direction that I have now set for our penal policy, I am determined to get the balance right in the future in the prison estate in Scotland.

**Alison McInnes:** The cabinet secretary will know that I have been gravely concerned about the number of young women held in Cornton Vale for extended periods of time in solitary confinement in the separation and reintegration unit. The compound distress and trauma underlying the behavioural problems for those women who are contained in that way is immense and the prolonged isolation can only add to their ill health. HM inspectorate of prisons for Scotland agreed to undertake a thematic inspection of the segregation procedures. The cabinet secretary's predecessor advised me in writing that that work would be concluded by February this year. Will the cabinet secretary update the chamber on the progress of that work and say whether it will report in time? Will he review the checks and balances that are currently in place around the rolling use of rule 95 and look into the provision of independent advocacy for those vulnerable prisoners?

**Michael Matheson:** I am aware of the issues in relation to the segregation provisions at Cornton Vale. The SPS has taken action to address some of those issues. I know that there were also concerns about the procedures that were being used. The facilities for segregation in Cornton Vale are not suitable for on-going use, but changes have been taking place. My understanding is that that work is on-going and that the SPS is confident that the process that it now has in place is fit for purpose and complies with what is required. However, given the member's long-standing interest in the matter, I am more than happy to ensure that she is brought up to date on it once we have the final details from the inspector.

**Bruce Crawford (Stirling) (SNP):** I welcome the cabinet secretary's decision, which I think was the right one. Understandably, most of the focus

today is on the issue of the female prisoners, but I have a significant constituency interest in Cornton Vale. Will the cabinet secretary say a bit more about what the future might hold for the Cornton Vale estate and what discussions have been held with the staff, because what has been announced is not what they expected to be the longer-term outcome? Will he commit today to write to me, once he is able to do so, with all the detail that he can give on the future of Cornton Vale and the impact on the staff?

**Michael Matheson:** The member raises an important point, because in all the debate around the future of the estate it is important not to forget the professionalism and dedication of our prison officer staff. We should be tremendously proud of the work that they undertake for us on a daily basis.

As I outlined yesterday, we are now going to undertake a period of intensive work with a range of stakeholders before we come to a final position on the configuration of our prison estate. That will involve a combination of appropriate secure facilities at a national level, as well as dealing with issues such as remand and short-term prisoners through the use of more community-based services.

I recognise that prison officers' traditional roles in prison establishments will inevitably change with the change in our penal policy. Consequently, they will have to look at their role in establishments such as Cornton Vale. It may mean that they have to be based in the community facilities. That will require a change in working practice. However, the change also provides prison officers with the opportunity to develop their skills and knowledge in areas that may not be available in the confines of the prison establishment.

We will continue to require a national facility for long-term serious offenders. My preferred option would be for a new-build facility at Cornton Vale, which is a more accessible site than Inverclyde. It would allow us to develop a fit-for-purpose facility and an approach that will improve prisoners' outcomes and, in doing so, reduce reoffending by female offenders.

**Anne McTaggart (Glasgow) (Lab):** In light of the Angiolini report, which stated that the rehabilitation of women offenders is best served in the community, when will the cabinet secretary review the funding for community programmes?

**Michael Matheson:** A range of work is being progressed on the back of Elish Angiolini's report. Indeed, 16 projects were commissioned as a result of the report.

The Angiolini report does not call for new money; rather, it calls for a change in the use of existing resources. That is what we have been

facilitating, so that resources are much more focused on improving the outcomes for women rather than the process that they go through. There may be an element of misunderstanding in that regard. Indeed, I saw comments in the press that misunderstood what the report calls for. If the member looks at the report, she will recognise that it calls for the much more effective use of existing resources. That is the approach that we have been taking since the report was published.

### Average Speed Cameras (A9)

**2. Dave Thompson (Skye, Lochaber and Badenoch) (SNP):** To ask the Scottish Government what data have been gathered on safety following the introduction of average speed cameras on the A9. (S4T-00912)

**The Minister for Transport and Islands (Derek Mackay):** The first quarterly performance monitoring report, covering speed, journey time and journey time reliability, has been published and is very encouraging. For example, excessive speeding—instances of drivers speeding more than 10mph above the limit—has been cut by 97 per cent, leading to an eightfold decrease in the number of people caught speeding. Police Scotland, the Road Haulage Association and the Institute of Advanced Motorists, among others, have welcomed the figures.

After only three months of average speed camera operation, police injury accident figures are not available. A longer period is required to evaluate safety performance—typically three years before and after in the case of road safety schemes. It is likely to be the third quarterly report before the first injury accident data can be reported on.

**Dave Thompson:** I welcome the publication of the data, which vindicates the action taken by the Scottish Government and the A9 safety group. Will the minister join me in urging critics of the scheme, such as Danny Alexander MP, to end their reckless and now discredited campaign to undermine what are valuable safety measures?

**Derek Mackay:** The evidence is that overall speeding is down from around one in three drivers to one in 20. As I have said, excessive speeding is down 97 per cent. Journey times have increased but in line with predictions, and journey time reliability has improved. There is no evidence that drivers are avoiding the A9. That is good news for the area and for road drivers.

My focus as transport minister is on safer roads, and the evidence is that the average speed cameras are playing their part in that regard. If Mr Alexander and others choose to ignore the evidence, it will be unfortunate for them if they are

judged to be putting cheap political point scoring before the safety of their constituents.

**Dave Thompson:** The *Inverness Courier*, which has shifted tack slightly, because I think that it supported Danny Alexander's campaign until now, suggests this morning that the average speed cameras will affect the economy of the Highlands. According to its headline, journey times have increased by 14 minutes. Of course, journey times have increased by up to 14 minutes. The average increase is nine minutes, which means that some journeys have increased by only three minutes. Will the minister say what impact that will have on the economy of the Highlands? Will he talk in particular about the speed limits for heavy goods vehicles?

**Derek Mackay:** The reported increase in journey times is exactly in line with our projections and reflects the reduction in excess speed on the A9.

The Road Haulage Association reported in its trade magazine that there are journey time savings of up to 30 minutes for HGVs travelling between Perth and Inverness. A reduction in the number of incidents and the disruption that is associated with them leads to better journey reliability, which supports the economy. It is simply indefensible to argue that speeding is good for the economy. A safer A9, with fewer reckless drivers and better behaviour by the vast majority of road users, can only be good for the Highland economy.

**David Stewart (Highlands and Islands) (Lab):** Is it Scottish Government policy to increase the speed limit for HGVs on single carriageways across Scotland to 50mph if the evidence from the A9 pilot and average speed cameras supports that?

**Derek Mackay:** Our officials will use all the evidence that is available for specific roads, and the limit will reflect the circumstances on the road. If we have a partnership and a package of proposals such as we have had for the A9, we can change the speed limit accordingly. We will be flexible, but safety will always be paramount when this Government takes action on Scotland's roads.

**Murdo Fraser (Mid Scotland and Fife) (Con):** The speed reduction measures on the A9 were introduced in conjunction with an increase in the HGV speed limit to 50mph, to which Mr Stewart referred. That came about because of vigorous campaigning by some members and many people outside the Parliament. When will the Scottish Government assess the impact of the increase in the HGV speed limit? As Mr Stewart said, if the increase is deemed successful, what is to stop us rolling it out on other major A roads across the country?

**Derek Mackay:** We will consider the issue closely. We are mindful of what the United Kingdom Government is doing on speed limits, too. Safety will be our first consideration. The increase has been successful on the A9 as part of a package of measures, as will be the dualling to which the Government has committed. We will look at the evidence from the pilot and other work and judge what is appropriate for the rest of the country.



## Smith Commission

**The Presiding Officer (Tricia Marwick):** The next item of business is a statement by John Swinney on the Smith commission. The Deputy First Minister will take questions at the end of the statement, so there should be no interventions or interruptions.

14:18

**The Deputy First Minister and Cabinet Secretary for Finance, Constitution and Economy (John Swinney):** I am grateful for the opportunity to set out for the Parliament the Scottish Government's response to the proposals on the Smith commission that the United Kingdom Government published last Thursday.

The Scottish Government welcomes the publication of the UK Government's command paper and draft bill. It is no secret that we do not believe that the Smith proposals go nearly far enough, but the publication of the draft clauses is another important step in providing the Parliament with further levers to improve the lives of the people of Scotland.

The Scottish Government's objective now is to develop a bill that commands broad support and will be ready for introduction as soon as possible after the United Kingdom general election in May. That is in line with the Scottish Government's clear position that decisions that affect the lives of people in Scotland should be taken here in Scotland, to reflect the priorities and views of those who choose to live and work in this country.

I welcome the progress that the Scottish and UK Governments have made in agreeing an order to transfer powers to give 16 and 17-year-olds the vote in Scottish Parliament and local government elections. The order was laid in both Parliaments last week.

Through joint working and effective co-ordination, we should reach a similarly agreed position on the new Scotland bill. Encouragingly, there are areas in the draft clauses where the initial drafting is already close to what should be in the final bill. Examples include the provisions on air passenger duty and the aggregates levy. Our initial assessment of the income tax provisions also suggests that they are close to delivering what the Smith commission recommended.

However, there are a number of areas that the Scottish Government wishes to be improved. First, I highlight the provisions that require the Scottish ministers to consult UK ministers and those that say that the Scottish ministers must obtain consent. No one in this chamber would want decisions of this Parliament on issues such as the

bedroom tax to be frustrated by the need for consent from the UK Government. Even the Secretary of State for Scotland agreed over the weekend that there should be no right of veto. It is therefore important that the UK Government revisits the clauses that require consent.

Secondly, devolution of employability programmes appears to be limited to programmes that deal with people who are at risk of long-term unemployment and to programmes of more than 12 months. Neither of those restrictions featured in the Smith commission report. I look to support from all other parties for the fullest possible implementation of those important powers.

Thirdly, we—and, I think, a wide range of stakeholders—were concerned that Lord Smith's recommendation of a power to create new benefits in devolved areas does not appear in the command paper or the bill. The clauses would allow this Parliament only to create new benefits in the much narrower areas of welfare that are to be devolved under the bill.

Similarly, the ability to top up reserved benefits has been watered down to cases of hardship. That is not a credible interpretation of paragraph 54 of the Smith report, which said:

"The Scottish Parliament will have new powers to create new benefits in areas of devolved responsibility ... The Scottish Parliament will also have new powers to make discretionary payments in any area of welfare without the need to obtain prior permission from DWP."

It is not credible to argue that this Parliament already has the competence to create benefits in devolved areas when social security schemes are specifically reserved under the Scotland Act 1998. Many in this chamber will recall the difficulties that the Parliament has faced on issues such as carers benefits and council tax reductions because of that reservation, so it is vital that the power to create new benefits in devolved areas is put beyond any reasonable doubt. Those proposals have rightly been hailed as some of the most important of the Smith proposals, so that is perhaps the most serious omission from the bill as it was published last week.

More widely, there is detailed work to do across a range of provisions to improve and refine the draft clauses. There is already debate in academic circles about whether the provisions that guarantee the permanence of the Parliament and put the Sewel convention on a statutory basis are as strong as they could be.

The provision on the Crown Estate is complex and the scheme to transfer assets to the Scottish Government will need to be explored with the United Kingdom Government. We need to be sure that this Parliament has legislative competence out to 200 miles under the draft provision.

We will consider carefully the equalities provision to ensure that it meets the Smith report recommendation that

“The powers of the Scottish Parliament will include, but not be limited to, the introduction of gender quotas in respect of public bodies in Scotland.”

Among the other provisions that we will consider carefully are those on tribunals, consumer protection and advocacy, and fixed-odds betting terminals, on which stakeholders have already expressed doubts about the effectiveness of the draft clauses.

I stress the importance of non-legislative parts of the proposals—most notably the fiscal framework to support the operation of the tax and spending powers. The negotiations on the fiscal framework will be more complex than the negotiations on the block grant adjustment under the Scotland Act 2012, although we can build on that experience. I hope that we can do the negotiations in slightly less time than it has taken to deal with the block grant adjustment to date. There are new factors, such as the no-detriment policy, which will seek to identify the relative costs and benefits of policy decisions, and the block grant adjustment for the assignment of VAT revenues.

I welcome the UK Government’s acknowledgement that we must move forward by negotiation and agreement on the many important issues that the fiscal framework will cover. There is clearly much to do to construct an agreed new fiscal framework that serves the needs of the people of Scotland. I will look for an early meeting with Treasury ministers to progress that work.

I turn to the next steps in taking forward the issues. The Scottish Government’s aim is to work with the UK Government and others to develop the draft clauses into a bill with widespread support that is ready to be introduced at Westminster shortly after this year’s general election.

The UK Government’s command paper envisages a similar process. I state clearly that the Scottish Government is committed to working constructively with the UK Government to refine and improve the draft clauses. In doing so, I hope that we will see early consultation and a willingness to address concerns and that we will have the support of other parties in this Parliament for issues that we advance.

Of course, the next steps in the process are not for Governments alone. The Scottish Government will discuss our plans for stakeholder engagement with the UK Government, and we will consider what other support we can offer stakeholders and the public to engage with the bill. The Parliament will also play a key role in the next stages of consideration of the issues at stake. The

Devolution (Further Powers) Committee, of which Bruce Crawford is the convener, has issued a call for evidence on the command paper and the draft clauses. I expect the committee to carry out detailed pre-legislative scrutiny of the bill and to take evidence on it in due course.

I know that, in addition, the committee has planned a series of public engagements to allow the people of Scotland to have their say directly to Parliament on the relevant provisions. The first of those events will take place in Hamilton on 2 February and the following one will be held in Aberdeen after the February recess. That is an important initiative by the committee, which I wish it every success in progressing.

Publication of the UK Government’s command paper and draft bill last week marked the start of a new phase of work on the Smith commission’s proposals. That phase gives the Scottish Parliament and the people of Scotland opportunities to shape the bill to deliver what they want from the Smith commission’s work.

The most immediate priority is ensuring that the bill that is introduced later this year delivers the spirit and intent of the Smith commission in a coherent and practicable way. Beyond that, we have begun to consider how the new powers should be used to improve the lives of the people of Scotland. As many people have commented, that is the underlying purpose of the exercise.

The Scottish Government has set out how it plans to use some of the powers that will come to the Scottish Parliament to create jobs, to boost the economy and to tackle inequality. We have made clear proposals to cut air passenger duty, to replace the work programme and to make sure that communities benefit from the devolution of the Crown Estate.

This Parliament will need to agree to the bill that is introduced in Westminster later this year. The Scottish Government will support that process to achieve transfer of competence as swiftly and as effectively as possible. At the same time, the Government will consult the public and interested groups on how the powers should be used and how we share powers with local authorities and communities across Scotland.

There should be a common objective of ensuring that the Smith commission agreement is implemented as swiftly and as effectively as possible. That means that all of us must recognise the parts of the proposals that represent good progress and must work with the Scottish Government to argue for improvements in key relevant areas. We in the Scottish Government are determined to argue for what is in the best interests of the people of Scotland but, in the end, it will be for them to judge—at the ballot box—

whether the proposals meet their ambitions and whether the proposals have been delivered.

**The Presiding Officer:** The Deputy First Minister will now take questions on the issues raised in his statement. I intend to allow around 20 minutes for that, after which we will move on to the next item of business.

**Jackie Baillie (Dumbarton) (Lab):** I thank the Deputy First Minister for an advance copy of his statement and I welcome the publication of the command paper, which heralds the biggest transfer of powers to this Parliament since devolution.

Labour has said that we will deliver the home rule (Scotland) bill in the first 100 days of a Labour Government. It will provide extensive new powers over tax, jobs and welfare, and it will form the basis of a modern home rule for Scotland at the same time as protecting the bonus that we receive from the Barnett formula.

I note the Scottish Government's response to the requirement for consultation with the UK Government about changes to universal credit. I genuinely do not believe that that amounts to a right of veto; it relates to practical issues such as timing. I am sure that we all agree that the sensible thing to do in the interests of ensuring smooth transition is for both Governments to talk to each other. It was wrong to suggest that there is any other intent behind that.

As I understand it, Mr Swinney's comments about the employment programme do not reflect the discussions that took place in the Smith commission. Clause 22 will give the Scottish Parliament full powers over that area. It will mean that all of the work programme will be devolved, in addition to other, smaller employability programmes.

We agree that job-creating powers are important. The work programme is important in that regard. It has not worked very effectively, so I welcome the opportunity to reform it. However, Labour wants that to be devolved now. Labour would equally reform the work programme, but we would devolve it to local authorities, which are best placed to tackle the challenge of jobs. Will the cabinet secretary join Labour in calling for the urgent devolution of the work programme and in turn commit to devolving it to local authorities?

Finally, will the Deputy First Minister provide us with a timetable for getting the fiscal framework that he spoke about in place?

**John Swinney:** In her first remark about the universal credit, Jackie Baillie missed the point of what we have been presented with—not in the words of the command paper but in the words of the clauses. She is an experienced

parliamentarian and she knows the significance of every single word in a legislative provision.

Clause 20(4) of the United Kingdom Government's draft clauses, which affects universal credit, raises significant doubts, which the Scottish Government has raised, in relation to the fact that the UK ministers would be able to prevent a Scottish Government from taking forward reforms in that area if they chose to do so. They would have a basis to do so in relation to either practicability or timing.

Jackie Baillie will understand the Scottish Government's view, which is utterly consistent with that of the Smith commission. It believed that those powers should be devolved to the Scottish Parliament for them to be exercised by the Scottish Parliament. They were not to be exercised with caveats applied to them. That is the problem in clause 20(4).

Because we are dealing with clauses of a draft bill, we have to get precision into those provisions. To be fair to the UK ministers, they have said since Thursday morning that there are absolutely no caveats, problems or obstacles. I simply say that, in the spirit of dialogue, let us change that clause and remove any possible caveats that there could be to the exercising of those responsibilities in the Scottish Parliament.

The Scottish Government wants to see the devolution of employment programmes to the Scottish Parliament. We have made no secret of the fact that we think that the work programme has been a poorly performing programme, and we think that it would perform better if it were integrated in the wider employability provisions that are put in place. Some of those will be taken forward by our local authority partners and some will be taken forward by third sector organisations; both will do so in a more successful fashion than that in which the work programme has been able to take those issues forward.

The problem that we face is that the work programme contracts have been extended beyond the period that we all reasonably thought that they would be in existence for. They were extended while the Smith commission was deliberating on that very question. We have certainly made the point to the UK Government and we will continue to make the point to it that we need to ensure that the wide range of employment programmes is available to us. We will, of course, be happy to take forward the delivery of those programmes in partnership with our local authority colleagues.

The final point that Jackie Baillie raised was about the timescale for the fiscal framework. As I indicated in my statement, I wish to embark on early discussions with UK ministers on the fiscal framework. That is very important not just for me

but for all of us, because the fiscal framework that emerges out of the provisions will affect every single member of the Scottish Parliament, the judgments that we are able to make and the issues with which we will have to wrestle. The Parliament needs to carefully consider the process, and the Government will certainly advance those discussions at an early stage and inform Parliament of their course.

**Annabel Goldie (West Scotland) (Con):** I, too, thank the cabinet secretary for the prior sight of his statement. I also thank him for a welcome surprise. I liked the character of the statement, which was unexpectedly conciliatory. That is in striking contrast to some of the language from the Scottish Government post the Smith report. I even see in the statement some welcomes and the word “Encouragingly”. Therefore, I feel that we are making progress and that things are indeed looking up. We can hope for a constructive partnership between the Scottish Government and the Westminster Government with a degree of confidence.

The Smith commission was very clear that this is not just about the transfer of powers from Westminster to this Parliament but about how we deal with devolving some power to local authorities and local communities. I am pleased that the cabinet secretary included that in the final part of his statement, when he specifically referred to consultation

“with the public and interested groups about how these powers should be used and how we share powers with local authorities and local communities”.

However, I ask him to confirm that consideration should also be given to how we share the existing powers of this Parliament. I do not think that we should look at the new powers in a vacuum or in isolation, and I hope that he will agree that there is a broader remit that could usefully be explored.

I also ask the cabinet secretary whether he has a timeframe in mind for the process and, if so, what it is.

**John Swinney:** The last time Ms Goldie and I exchanged words on the Smith commission, she somewhat unjustly accused me of being “curmudgeonly”. I thought that, of the many things that I have been accused of being in this Parliament, it was the most unwarranted. [*Laughter.*] It forced me into some ungallant remarks back to Ms Goldie, which I shall refrain from today, in the spirit of co-operation.

I agree with a number of the points that Ms Goldie made about devolution of powers within Scotland. When this Government came to power, we took a strategic decision about enabling local authorities to exercise much greater fiscal flexibility than they had previously, by removing

the ring-fencing arrangements that had been in place across many aspects of public expenditure. That gave local authorities the freedom to make particular choices according to the needs of their localities.

I accept that there is an argument—I made it in my statement—for the devolution of responsibilities to local authorities and also to local communities. I am sure that Ms Goldie accepts that the debate is about more than devolution to another tier of government; it is also about devolution to our communities. The Community Empowerment (Scotland) Bill, which was introduced by Mr Mackay and which Mr Biagi is taking through the Parliament, is designed to encourage the process of discussion and involvement at the local community level and to ensure that our communities are able to achieve a great deal more as a consequence of responsibilities that they can exercise with their own free will.

On the timescale, I would like to make as much progress as possible on addressing some of the specific issues that we have about the clauses before the United Kingdom general election. That will mean that the UK Parliament can make the swiftest start to legislating immediately after that election. The Devolution (Further Powers) Committee, which Mr Crawford convenes, will be looking at the issues in this Parliament, and I am sure that it will make a substantial contribution to the process.

**Linda Fabiani (East Kilbride) (SNP):** I have noticed again today that the Labour Party keeps referring to the draft clauses and the coming legislation as the home rule (Scotland) bill. That appears to be the new mantra. I ask the Deputy First Minister whether he considers that the draft clauses, as presented, can in any measure whatsoever be described as home rule.

**John Swinney:** It is not a description that I would apply to the provisions. There are greater powers for the Parliament—I have already made that clear to the Parliament—but some significant areas of responsibility remain reserved to the United Kingdom Government that should be transferred to the Scottish Parliament to constitute the term “home rule”.

The exchange that I had with Jackie Baillie about clause 20(4) is illustrative of some of the constraints that still percolate their way into the draft clauses. We have to use the opportunity of dialogue to remove those provisions to ensure that we have the ability to exercise powers as we judge fit here in Scotland.

**Willie Rennie (Mid Scotland and Fife) (LD):** I thank the Deputy First Minister for the advance copy of the statement. Annabel Goldie is right—he

has made a remarkable transformation from bad cop to good cop within the space of just one week. I hope that that continues, because the Scottish Government's response to the Smith agreement and the subsequent publication of the clauses was deeply negative.

This is the transfer of £20 billion-worth of new taxes, with a £3 billion new Scottish welfare system, and that transfer will pose considerable challenges for this Parliament and this Government. We have seen with the establishment of Revenue Scotland the real difficulties that the transfer of only two small taxes posed to the Government and the Parliament. To avoid a repeat of those mistakes, will the cabinet secretary agree to establish a cross-party advance fiscal team to plan the effective and orderly implementation of these new, substantial powers?

**John Swinney:** I can go back to playing bad cop quite quickly, if Mr Rennie would like that. Indeed, I am tempted to do so, following the baloney that we have just heard from him.

First, it is a fact that less than 30 per cent of Scottish taxes will be set in Scotland after the Smith process concludes, and that 14 per cent of welfare spend will be devolved to Scotland. Is that the summit, in Mr Rennie's view? I am sure that there were moments during the Smith commission process when Mr Rennie's colleagues would have liked to achieve more welfare devolution than was secured at the end, so we should not get a lecture from him about the extent of the provisions.

Mr Rennie mentioned Revenue Scotland, which must be ready for business on 1 April. I have said consistently to Parliament that I am very confident—and have been for a considerable time—about the efforts of the Revenue Scotland team to ensure that the organisation is ready for its operational activities on 1 April. I will meet the board on Thursday, and I have seen regular updates. I am very pleased with the progress that has been made, and I hope that I am able to make further announcements about that soon, subject of course to wider discussions with the United Kingdom Government.

On Mr Rennie's point about the fiscal framework, the Scottish Government has a role to perform in negotiating with the UK Government the details of that. I will of course advise Parliament on the course of those discussions. In case Mr Rennie is facing a restless night worrying about that particular point, I reassure him that I intend to fight very hard for the interests of Scotland in the fiscal framework.

**Duncan McNeil (Greenock and Inverclyde) (Lab):** I thought that we had escaped the bad cop this afternoon, but apparently we have not. I was about to welcome the cabinet secretary's

statement and—as Annabel Goldie did—recognise his acknowledgment of the progress that has been made and the optimism about progress to come.

We have a lot of work to do and more to debate, and there should be a bad cop, but only when it is necessary. We should not be making up fights, as has been done with clause 22. The Scottish Government claims that the devolution of employment support fell short of its promise, when Mr Swinney knows that he agreed in the Smith process that those powers would remain in the UK Government's hands—for example, on jobcentres and reserved benefits.

Why does Mr Swinney not acknowledge fully where there is agreement and get on with the hard debate about the issues on which there is still work to be done, rather than fabricating debates over issues that have no substance?

**John Swinney:** If Mr McNeil wants to throw in the towel on important issues that affect Scotland that is up to him, but I will not do so on the issues that we are concerned about. On universal credit, for example, I have rehearsed with Jackie Baillie the issue of substance that is at stake in the wording of the clause as it stands.

If Mr McNeil wants to turn a blind eye to that and say, "No, no—we should just roll over and let it all happen, and we should not bother about it or agitate to protect people", I do not know what, precisely, he is complaining about today.

The Scottish Government will go about its proper duty of ensuring that the Smith commission's proposals are turned into reality in the clauses and that there are no attempts to constrain in any way the exercise of responsibilities that should properly be exercised by the Scottish Parliament.

**Kevin Stewart (Aberdeen Central) (SNP):** In response to the UK Government's published draft clauses, Margaret Lynch, the chief executive of Citizens Advice Scotland, said:

"The Smith Commission led us to believe the Scottish Government could craft its own welfare system, outside of Universal Credit, taking into account the needs of Scotland. It seems now that offer has been withdrawn."

Does the Deputy First Minister share Ms Lynch's views, and does he feel that the welfare needs of the people of Scotland have been ignored by the UK Government?

**John Swinney:** I said in my statement that there was a substantive concern about the narrow definition of the ability to create new benefits. That does not translate paragraph 54 of the Smith commission report into what anybody could believe was a legislative provision. It is one of the issues that, as a priority, we need to revisit.

**Iain Gray (East Lothian) (Lab):** The Deputy First Minister mentioned the principle of no detriment and the commentary has made much of how difficult that principle is. Mr Swinney called it a new principle but it is not, is it? Mr Swinney has just successfully negotiated a no-detriment settlement with regard to already devolved taxes. That was a negotiation in which, in the end, the Scottish block benefited more than it was initially thought might be the case.

Does the Deputy First Minister agree that the principle of no detriment is well established, understood and effective?

**John Swinney:** Mr Gray must have taken the optimistic tablets this morning if he thinks that my block grant adjustment about land and buildings transaction tax was a cheery and optimistic affair. I would use none of those words to describe the process.

There is a significant difference, which is why I disagree with Mr Gray when he says that the no-detriment principle is not new. The no-detriment principle, as it will have to be applied and as it is speculated about in the command paper, relates to how, where there is a devolution of an income tax responsibility, there will then be changes to the way in which expenditure decisions are calculated within the United Kingdom's existing framework, through the Barnett formula. That is new territory. That is why, in my answer to Jackie Baillie, I made it clear that it was in the interests of everybody in this Parliament, whatever their politics—although it is very unlikely, at some stage in the future somebody else might have to stand here and do the finance secretary's job—

**The Minister for External Affairs and International Development (Humza Yousaf):** Heaven forfend!

**John Swinney:** Exactly—heaven forfend. However, it is in the interests of every one of us to ensure that the interests of Scotland are well protected by the application of the no-detriment principle.

**Chic Brodie (South Scotland) (SNP):** Given the ambiguities around the application or disapplication of conditions, as enshrined in the clauses of the draft bill, will the Scottish Government indicate what discussions it has had with the UK Government regarding the fiscal policies and framework that are needed to support the promised early introduction of the bill? Will the Scottish Government discuss the issue of capital borrowing with the UK Government, and the suggestion that capital spending could be replaced by borrowing? Has the UK Government indicated when those fiscal requirements will be ready?

**John Swinney:** There have been no substantive discussions with the UK Government

since the publication of the command paper on Thursday. We have signalled our willingness to undertake those substantive discussions. I can assure Mr Brodie that that is exactly what we will endeavour to do.

**Colin Keir (Edinburgh Western) (SNP):** Given that it should have been devolved already through Calman, does the Deputy First Minister agree that air passenger duty can and must be devolved to the Scottish Parliament at the earliest opportunity? Will he provide assurances that he will pursue that with the UK Government at the earliest opportunity?

**John Swinney:** In all the rhetoric around the clauses, the United Kingdom Government has made the point that we should make early and swift progress after the UK general election. That is the timetable that we certainly want to work to, to ensure that all reasonable steps are taken urgently to secure the devolution of all the responsibilities.

Mr Keir makes a very fair point. As he correctly highlights, air passenger duty was one of the issues before the Calman commission that were not translated into the Scotland Act 2012. We have to ensure that all these provisions are translated into the contents of the Scotland bill that emerges as a consequence of this process.

**Lewis Macdonald (North East Scotland) (Lab):** The Deputy First Minister will be aware of the increasing surcharges on the delivery of packages and parcels by a number of private companies, specifically in the north of Scotland, and not only in the Highlands and Islands but in the rural north-east. Does he agree that the UK command paper now gives Scottish ministers the powers that they need to require, on the same basis as a UK minister of the Crown, a full investigation of competition issues specific to Scotland? Does he agree that those new powers should be used to tackle discriminatory surcharging at the earliest opportunity?

**John Swinney:** I agree that, where we attract and exercise powers of that nature, they should be utilised in that fashion. We must make sure that we have the ability to exercise some of those powers and responsibilities fully and comprehensively, without reference to the United Kingdom Government. For example, where the involvement of the Scottish Government has been set out in a consultative fashion, we must ensure that we are able to secure influence greater than that and exercise responsibilities that will allow us to act in the way that Mr Macdonald has suggested.

**Roderick Campbell (North East Fife) (SNP):** The transfer of Crown Estate assets to Scotland does not reflect what was proposed by the Smith

commission. Will the Deputy First Minister press the UK Government to provide clarity around the extent of the powers to legislate on the Crown Estate in Scotland out to 200 nautical miles and ensure that that is properly reflected in any future legislation?

**John Swinney:** One of the issues that I raised in my statement is that it is not clear to us, at this stage, that the legislative competence to exercise responsibility out to 200 miles has been devolved in the draft clauses. That is a material and substantive point that we will explore with the United Kingdom Government. The paragraphs on the Crown Estate in the Smith commission's report—paragraphs 32 to 35, but specifically paragraph 34—make it clear that the Smith commission's intention was to see devolved that legislative competence to exercise responsibility out to 200 miles.

**David Stewart (Highlands and Islands) (Lab):** Will the Deputy First Minister confirm whether it is Scottish Government policy to create a not-for-profit, publicly owned rail operator at the earliest opportunity in the light of the Smith commission's proposals?

**John Swinney:** It was and always has been possible for a not-for-profit operator to bid for the ScotRail franchise—a franchise arrangement that was put in place and supported by the Labour Government. We invited not-for-profit interested parties to submit propositions during the recent retendering of the ScotRail franchise, and we will use the responsibilities that are devolved to us in the area to ensure that such ventures have every possible opportunity to take over the running of the railways in Scotland.

**Patrick Harvie (Glasgow) (Green):** I thank the Deputy First Minister for the advance copy of his statement.

Not every paragraph of the Smith commission's report managed to achieve crystal clarity, but the proposal to devolve power over onshore oil and gas licensing was unambiguous. Yet, the UK Government seems to be on the point of dishing out licences for fracking, coal-bed methane and other unconventional forms of gas extraction across Scotland, handing over the central belt to the fracking industry. Does the Deputy First Minister agree that such action would render those powers worthless before they are devolved and would demonstrate contempt for the process? Will the Government support the Parliament's taking an early opportunity to vote on the matter, sending a clear signal about our expectations of the UK Government?

**John Swinney:** Mr Ewing wrote to the Secretary of State for Energy and Climate Change at the end of last week. He made the point to Ed

Davey that, following the publication of the clauses on Thursday, it is crystal clear that that policy responsibility is now coming to the Scottish Parliament. Our view is that no decisions about licences should be made by the UK Government until the Scottish Parliament is able to exercise that responsibility. That call to Ed Davey was made on Friday, but I am not aware of a response. Mr Harvie will be aware that Mr Ewing will make a statement on such issues to Parliament tomorrow, when I am sure that we will have more to say on the matter.

## Agricultural Holdings Legislation Review Group Report

**The Presiding Officer (Tricia Marwick):** The next item of business is another statement, this time by Richard Lochhead, on the agricultural holdings legislation review group report. The cabinet secretary will take questions at the end of his statement, so there should be no interventions or interruptions.

14:55

**The Cabinet Secretary for Rural Affairs, Food and Environment (Richard Lochhead):** As we all know, we need vibrant agriculture in Scotland to support our rural economy, put food on our tables and deliver a range of benefits for society. We are a lucky nation, in that we have the land to ensure food security and we have men and women with the skills to work our land. Many of them have rented the land to grow food and deliver those other benefits and, of course, we have landlords who are willing to let out land for those purposes.

Tenant farming continues to play a vital role in our country. Generations of tenant farmers, often representing the same family on the same land, have worked hard and contributed to our country's success. Scotland's total agricultural area represents 79 per cent of Scotland, and tenanted land makes up around a quarter of that, making it a crucial part of Scottish agriculture.

Tenant farming, however, like every other sector, has to cope with change and challenges. Since 1982, there has been a 42 per cent decrease in tenanted land in this country, and we now have one of the lowest proportions of tenanted land anywhere in Europe. Given that securing a tenancy is often the gateway to a career in farming, we are in danger of closing the door on future generations unless we act. One of the big challenges that we face is our ageing farming population, with 57 per cent of occupiers of farming businesses currently over the age of 55.

Therefore, to ensure that tenant farming thrives in the 21st century, steps must be taken to protect the sector's vital role. Despite the progress of previous reforms to agricultural holdings legislation back in 2003 and subsequent legislation that was brought in by the current Government, there is a continuing decline in tenanted land. That is why, at the Royal Highland Show in 2013, I announced a fundamental review of agricultural holdings, with the aim of coming up with solutions to reverse that decline. Today, I am announcing the outcome of that review.

The remit was challenging, so it was essential to get the right people for the job. Sir Crispin Agnew,

Barbara Brown, Hamish Lean, Iain Mackay, Jeff Maxwell and Andrew Thin brought their talents, expertise, passion and enthusiasm to the table, and I could not have asked for a better team.

From the beginning, the review group was clear that we needed to talk to people on the ground and bring the industry with us. Since the initial call for evidence in February 2014, the review group has held 78 meetings across Scotland. The members are grateful to all those who made time to share their views and experiences, as the group travelled from Bute to Blair Atholl and many places in between, while of course enjoying all the home baking and cups of tea round the tables in farmhouses.

We have benefited from hearing at first hand of the problems and issues facing the sector. For example, there is the aspiring new entrant who cannot get a tenancy to provide a secure base for his business and young family, or the tenant who wants to retire but cannot do so until he has resolved a stand-off with his landlord over waygo compensation. However, there were many strong signs of success and innovation too, such as a young tenant and his landlord who overcame initial concerns and barriers to increase the holding and secure significant funding to grow a dairy business. To back up what we heard, robust research was carried out, as well as wide-ranging surveys of the sector.

Last June, we reflected on what we had heard and published our interim report, which set out our vision and how we planned to develop our recommendations. Since then, we have developed our thinking and undertaken 12 public meetings across Scotland.

Today, we publish the final report of the agricultural holdings legislation review group. It is a significant package of 49 recommendations that has the potential to be a turning point for the tenanted sector in Scotland and to secure a vibrant future for those working in the sector. It is bold and radical. The recommendations aim to get to the heart of the matter and to address the three underlying issues that affect the sector and that the group decided are the key issues. The first is the need for stronger and more productive relationships, the second is the need to address the right-to-buy debate and, finally, there is the need to provide opportunities for new entrants and a framework for the sector that is fit for the 21st century.

Strong relationships are the foundations on which success is built—relationships with the land, the community and, most fundamentally, between tenant and landlord. Around 82 per cent of tenant farmers report having a good relationship with their landlord and 89 per cent of landlords agree. That shows that much of the sector is working.



However, others describe relationships as poor—sometimes, very poor or non-existent—which highlights the point that there are still issues to be addressed.

Those issues are not insurmountable. The solutions will require effort and compromise from both sides. We have seen great examples of that already. In fact, one of the success stories of the past year or so was the facilitation of the industry-led rent review initiative, which highlighted that the power to resolve relationship issues often lies as much with the sector as it does with the Government or legislation.

Nonetheless, the review group's recommendations are aimed at ensuring a strong role for the Scottish Government in working with the industry to promote better relationships by, for example, providing better support, guidance and oversight of the sector through the establishment of a tenant farming commissioner and robust codes of practice and by designing a clearer, fairer process for setting rents based on the productive capacity of a holding, which will minimise disputes.

As I made clear when I announced the review, it is not possible to have a meaningful discussion on the future of the sector without addressing the right to buy.

Over the past 18 months, the review has facilitated an honest and frank debate that has helped to identify the reasons behind calls for an absolute right to buy. The group identified: a loss of confidence in the system; concern over the lack of investment by landowners and the inability of tenants to realise their own, often substantial, investments; and a general feeling of imbalance in the rights and responsibilities of tenants and landlords under the Agricultural Holdings (Scotland) Act 1991.

We identified those as the key underlying issues, and the majority of the report's 49 recommendations—such as the widening of succession rights to secure a future for 1991 act secure tenancies—are aimed at addressing them.

However, it is clear that there are some cases in which tenants feel that relationships have deteriorated to a point of no return and that a right to buy is the only solution and in the public interest. Therefore, the report proposes a range of measures to enhance the right to buy including: strengthening the pre-emptive right to buy by removing the requirement to register; enabling 1991 act tenants to apply to the Scottish Land Court to force the sale of the holding where a landlord does not meet their obligations; and further consideration of how any proposals taken forward in the proposed land reform bill could assist in addressing the issues that tenant farming communities face.

Those radical proposals have the potential to provide tenants with a solution to escape the clutches of bad landlords but pose no threat to the vast majority of landlords who have good relationships with their tenants.

Life, like tenant farming, is built on mature compromise and a focus on the path ahead. We all need to look forward to the many opportunities that lie ahead and to ensure that the tenanted sector is fit for the 21st century.

The review group is determined that tenant farming should play an important role in providing: routes for new entrants; security and flexibility for established businesses; and a dignified exit for older farmers. Its vision for letting vehicles and a legislative framework that are fit for this century will help to make the changes that are needed to make the most of the opportunities that lie ahead. Its recommendations are intended to provide greater flexibility, more innovation, more investment, more land and better security, by providing for the conversion of a 1991 act tenancy into a 35-year limited duration tenancy to be assigned on the open market and by replacing short limited duration tenancies and LDTs with a new, modernised, assignable limited duration tenancy with a minimum term of 10 years.

The group has also proposed innovative and groundbreaking tenancy apprenticeships through share farming to help remove the barriers that new entrants face when trying to access land. For those who have some capital but lack land, the report proposes potential new vehicles to enable tenants to take on a greater share of fixed equipment and repair and maintenance obligations in return for a minimum 35-year term and rents based on productive capacity.

Those proposals have the potential to be game changing and to deliver greater, much needed equality and diversity within the sector.

For some things to improve, people need to accept change and adapt to today's environment. That is not always easy, but it is essential for the members of the tenant farming community to use the recommendations to make a real change to their lives and to their communities.

I am confident that the landmark report does indeed represent a turning point for the sector. We need a strong, vibrant, flexible sector where tradition and experience are respected, where new ideas and new investment are encouraged, where farming businesses are built on the principles of shared endeavour for mutual gain, and where landlords and tenants respect and value the contribution that both can bring.

In this, the Burns supper season, we remind ourselves that our national bard was an 18th

century tenant farmer. Maybe not all landlords and tenants

“Shall brothers be for a’ that”,

but we must work together to ensure that the sector thrives in the 21st century. I commend the report to Parliament.

**The Presiding Officer:** The cabinet secretary will now take questions on issues that were raised in his statement, for which I intend to allow about 20 minutes. It would be helpful if members who wish to ask a question of the cabinet secretary were to press their request-to-speak buttons now.

**Claudia Beamish (South Scotland) (Lab):** I thank the cabinet secretary for giving me sight of the statement and the final report in reasonably timely fashion, which is not always the case. I also thank the review group and all those who took part, because without them the review could not have happened and we would not be where we are today.

As the cabinet secretary said, it is a landmark report, which must herald a new era in agricultural Scotland that will bring opportunities for a range of tenants, new tenants and security in retirement. The final key aspiration of the interim report stated that

“The underlying culture will be forward looking and based on shared endeavour, mutual respect and partnership between owners and tenants.”

Can the cabinet secretary identify specific ways in which the final report recommendations will contribute to that culture of partnership, and how the balance between the confidence in the system that has been asked for by landowners, and the protection of tenants’ rights, in a vibrant tenanted sector, will be achieved?

I welcome the enhanced measures for the right to buy, which recognise that there can be breakdowns in relationships, but also acknowledge that many relationships are good.

Can the cabinet secretary also explain in more detail how the tenant farming commissioner will be appointed, what the commissioner’s functions will be, how the code of practice will be developed, and who will be part of making the code of practice real so that everyone can move forward together?

**Richard Lochhead:** I thank Claudia Beamish for the spirit of her remarks. I agree that the report could “herald a new era” for tenant farming in Scotland. It will, of course, require landlords, tenants and all the other players in the sector to get behind the report. We must keep our eye on the ball if we want a vibrant tenancy sector in order to ensure that we have food security and all the other benefits that working the land brings for our country. I believe that we all share that aspiration.

The report’s radical proposals will help to get us there by promoting security of tenure for tenant farmers while recognising the shared responsibilities and obligations of landlords and tenants, and of everyone else who is involved in setting rents, or in other aspects of daily life in the tenanted sector. The report will also promote keeping land in Scotland in the tenanted sector, because if aspiring entrants do not have access to the first rung—land—on the ladder of a farming career, we will simply not be able to attract new blood into agriculture, which is a fundamental aim of the report’s recommendations.

Claudia Beamish asked many questions about the tenant farming commissioner. We will in due course bring forward further proposals for establishing the commissioner, having taken account of the report and its recommendations today. Some codes of practice are already in existence and more may be required. Discussions on that will take place within the Scottish Government and with all our stakeholders, but we recognise that we must move as quickly as we can on the recommendations. A lot of work still lies ahead, but there are in the report many signposts and radical recommendations that will deliver a much better future for the tenanted sector.

**Alex Fergusson (Galloway and West Dumfries) (Con):** I draw members’ attention to my entry in the register of interests, which shows that I own land that is let under an SLDT—one of the 82 per cent of mutually happy arrangements, I am glad to be able to report.

I thank the cabinet secretary for advance sight of his statement. Clearly, there is a lot of detail still to be scrutinised, but on first sight we welcome many of the suggestions and proposals that have been made.

Is the cabinet secretary finally ruling out the absolute right to buy, as is recommended in paragraph 24 of the report? Given that tenants are to be given the pre-emptive right to buy without the need to register, will landowners be given a similar right over assignments that subsequently come on to the open market? How will the reforms increase the amount of land that comes on to the market and is available to let, which is what we need if we are truly to reinvigorate the sector?

**Richard Lochhead:** As I said in my opening remarks, we could not divorce the many issues around the debate over the right to buy from this review. A land reform debate is going on at the moment and a consultation is open, which the review group refers to in respect of some of the routes through which a tenant might be able to buy a farm. We have made our position very clear in the review group: we want to keep land in tenancy in Scotland, because that is the only means by which many people can enter agriculture.

However, unfortunately there are some situations in this country in which there may be no option but to allow the sitting tenant to purchase their farm under the right to buy.

We laid out in the report two clear routes for that. First, we propose that a tenant can go to the Land Court and force a sale when the landlord is not meeting their obligations. Secondly, one of the land reform proposals is a power for ministers to intervene when sustainable development is not being promoted, which could provide another option for tenant farming communities.

The message in the report is very clear. It would be good if we could rally behind it and move forward in order to deliver justice for tenant farmers and the wider sector.

**Rob Gibson (Caithness, Sutherland and Ross) (SNP):** I welcome the cabinet secretary's statement. The review group recognised that about one fifth of tenant farmers exist in what could be called a Victorian landlord and tenant relationship. Tenant farmers in my constituency and many others will be pleased that a preemptive right to buy can be triggered. In his statement, the cabinet secretary said that 1991 act tenants can force a sale of their holding

"where a landlord does not meet their obligations".

Can he expand on the detail of those landlord obligations?

**Richard Lochhead:** That is one of the more radical proposals in the report, which will be warmly welcomed, because it is reasonable, proportionate and in the public interest. As the legislation is drafted and as we move forward there will be a lot more detail on landlord obligations for committees to consider. We will have to work with stakeholders to draft the legislation.

We have come across examples of a lack of investment. There are also landlords who take very little interest in their tenancies; there are situations in my constituency that I cannot quite believe. We will have to look at landlord obligations and draw up the legislation appropriately. However, anyone who is reasonable and knows anything about the issue knows that, unfortunately, there are in this country landlords who do not fulfil their obligations. It is therefore in the public interest that Parliament and the Government look for solutions to those cases.

**David Stewart (Highlands and Islands) (Lab):** What assessment has the cabinet secretary made of limited duration tenancies? Will they create more security for tenant farmers and will they get round the problems that have been identified in the Supreme Court case of *Salvesen v Riddell*?

**The Presiding Officer:** I would prefer that we hear no references to that case. There may be very similar cases that are subject to on-going legal proceedings; as such, there is a risk that they are sub judice. With that caveat, cabinet secretary, you may want to answer the first part of the question and leave the other one behind.

**Richard Lochhead:** I thank David Stewart, whose general thrust was about the role that limited duration tenancies can play. There has been an increase in the number of limited duration tenancies over the years since they were introduced and subsequently changed by this Government. The statistics show that in 2008 there were 509 SLDTs and in 2014 there were 834; and that in 2008 there were 205 limited duration tenancies—not the short ones—and in 2014 there were 528. There have been increases. However, at the same time there has been a decline in the amount of let land, so the review group's proposals on more flexibility through limited duration tenancies and the potential to have 35-year limited duration tenancies will give more security to tenants. The proposals on tenancies will make them more attractive and will, I hope, lead in time to there being more let land in Scotland.

**Dave Thompson (Skye, Lochaber and Badenoch) (SNP):** I, too, welcome the report and the statement by the cabinet secretary. Along with recommendation 13, which will improve family assignation rights by allowing a farmer to assign a farm in his or her lifetime for a secure 1991 act tenancy, we have recommendation 15, which makes provision to enable any secure 1991 act tenant to convert the tenancy into a new long-duration modern LDT with a minimum term of 35 years, and then to transfer it to anyone at open market value. That is as opposed to there being an open assignation on the market itself. Does the cabinet secretary believe that the combination of recommendations 13 and 15 strikes the right balance?

**Richard Lochhead:** Dave Thompson raises issues that relate to some of the fundamental objectives of the review group. Both of the proposals in respect of 1991 act tenancies, to which he referred, relate to the review group's hope that we can find ways to keep land in tenancy in Scotland, for the reasons that I outlined earlier, and provide a dignified exit route for older farmers. There are circumstances—this was highlighted to the group and was a big concern for stakeholders—in which a 1991 act tenant does not have a successor to whom they can assign under current legislation. Widening assignation will therefore increase the chances of tenancies staying in the system.

When there are no successors, even with the broader flexibility in legislation that has been proposed by the review group, farmers could have a dignified exit by converting the 1991 act tenancy to a long-term limited duration tenancy. Such tenancies being on the open market and available to new entrants would allow the older farmer with no successor to retire with dignity. As has been highlighted to the group, the lack of flexibility is preventing opportunities for new entrants, because such older farmers have nowhere to go. This is, I hope, a solution to such fundamental problems.

**Graeme Pearson (South Scotland) (Lab):** I welcome the proposals, particularly for tenancy apprenticeships and the new vehicles to enable tenants to take on a greater share of fixed equipment and so on.

The review examined the elements that make it extremely difficult for tenant farmers to access financial support from banks and other sources in pursuit of development plans, as well as the additional challenge facing tenant farmers in relation to their own often substantial investments. Can the minister provide any further detail about what steps he thinks the Government might take in the future to deal with those specific issues, and to what timescales?

**Richard Lochhead:** I think that we are talking about one of the most exciting proposals from the review group. As Graeme Pearson correctly highlights, as agriculture has been so capitalised over the past few decades, it is very expensive for people to get their own farm. Because there are not many leases available, people are locked out of agriculture even though they want to start working the land and producing food. We have to open up opportunities.

The apprenticeship lease arrangement is an exciting way forward because it will allow new entrants to work with an existing farmer to get to know the ropes, have a stake in the farm and, over time, take over the lease. I hope that that will be attractive to many new entrants, because it will be a new vehicle that is available to people to get into farming.

I therefore think that that will be one of the most exciting developments, and it is right that we should back it up with support from Government. We have existing schemes to help new entrants, so over the coming months we will have to work on a package to link the various support mechanisms together to make it really attractive for young men and women to take up a career in agriculture.

**Michael Russell (Argyll and Bute) (SNP):** The cabinet secretary will be aware of the warm welcome that the report will receive from many of my constituents, particularly those on some of the

Argyll islands who have had considerable difficulties maintaining relationships with their landlord. This process is not simply about relationships, however; it is also to do with the nature of the community and the economic and social fragility of the area in which it lives. The key to that, as the cabinet secretary will also know, is section 8.7 of the report and recommendation 22.

Will the cabinet secretary confirm that he intends to bring forward legislation in the proposed land reform bill that will deal with the issue of ministerial intervention, or does he expect that to be undertaken by the Rural Affairs, Climate Change and Environment Committee? Will there be a wider consultation to ensure that ministerial intervention can take place in areas of economic and social fragility, which certainly defines some of the areas in my constituency?

**Richard Lochhead:** Given Michael Russell's constituency experience, particularly of some of the island communities, he will be very familiar with the rationale behind some of the review group's recommendations. As he rightly says, there is a clear interaction between tenant farming and wider community interests and the health of the community, particularly in the more rural parts of Scotland.

The aim of the current land reform consultation is to find mechanisms for ministers to intervene to address issues where sustainable development is being frustrated by the actions of particular landowners. However, we will have to wait for the closing of the consultation, which is on 10 February, to hear people's views.

At this stage, I say to Michael Russell that we are ambitious on the issue of ministerial intervention but that my job as the chair of the review group is to speak to my colleagues in Government and work through how we can implement some of the report's recommendations, particularly on the question of ministerial intervention, in conjunction with the land reform consultation. A lot of good work will take place, and I urge the committee to have its say and work with stakeholders, whether they are in society or the Government, to ensure that we get this right.

**The Presiding Officer:** I am mindful that another five members wish to ask a question of the cabinet secretary. I have some time in hand over all the debates this afternoon, so I intend to make progress, but I say to the remaining five members: if you want to get in, you need to keep it short.

**Jim Hume (South Scotland) (LD):** Will the Government commit to providing security for tenants in the interim period between the publication of the report today and recommendations being put down in law?

**Richard Lochhead:** Clearly, there is legislation in place at the moment that gives a degree of security for existing tenants in Scotland. Throughout the whole of the review group's work, we have worked very closely with all stakeholders: tenants, landlords and other players in the sector. The recommendations are ambitious and radical, but I believe that they are reasonable. I also believe that we all want to see the same outcome for Scottish agriculture. I therefore hope that everyone will rally behind the report and its recommendations, even though they might not agree 100 per cent with every single thing in the report. However, I think that the spirit of what the review group is trying to achieve should be shared by all stakeholders, and I ask them all to get behind it and respect it.

**Angus MacDonald (Falkirk East) (SNP):** I, too, welcome the final report, which is indeed bold and radical. What progress has been made towards increasing the proportion of land available for tenant farming since the Agricultural Holdings (Amendment) (Scotland) Act 2012 came into force?

**Richard Lochhead:** As I indicated earlier, there has been an increase in the number of short limited duration tenancies and limited duration tenancies, particularly since the Government introduced some flexibility a few years ago, but there has been an overall decline in the amount of let land in Scotland, which reinforces the need for some of the recommendations in the report. A lot of work is still to be done.

**Cara Hilton (Dunfermline) (Lab):** The interim report pointed out that far more people who have no direct involvement in farming or the wider rural economy are now able to live in the countryside, and it was suggested that that presents a significant commercial opportunity for landowners. Many tenants feel that that has made access to farms that include affordable housing on-site or nearby extremely difficult. I am interested in knowing more about how the Scottish Government intends to address that important issue.

**Richard Lochhead:** Cara Hilton raises a very important issue. In terms of affordable housing, there are some recommendations and references in the report in relation to planning policy and ensuring that housing opportunities are available for farmers and for retiring farmers, to give them an incentive.

In terms of the wider issues of life in the countryside, the capitalisation of farming and the cost of land—which I think are at the heart of the member's question—there are references in the report to potential tax measures. We had a statement on the Smith commission earlier, so we know that we are going to have a very limited say over some of the issues raised in the report in

terms of tax changes that might have to be looked at. I hope that the United Kingdom is paying as much attention to the report as the Scottish Government is, and I hope that the Smith commission's recommendations are just the beginning of new powers coming to the Scottish Parliament so that we can address issues for ourselves.

**Graeme Dey (Angus South) (SNP):** I want to ask about the opportunity for the 1991 act tenants to apply to the Scottish Land Court to force the sale of holdings. As the cabinet secretary knows, turning to the Land Court can be a lengthy and expensive business. Will consideration be given to how we can avoid protracted and costly cases arising in such circumstances?

**Richard Lochhead:** Graeme Dey asks a good question. I want to explore further the recommendation on the matter and where we take it. Often, it is not the fees but the legal representation and how long a case may go on for that influences the overall bill for using the Land Court. I accept that there are issues to be looked at. We must do that as we progress the recommendations.

**Jean Urquhart (Highlands and Islands) (Ind):** A couple of my points have been answered—I thank the cabinet secretary for that.

On the right to buy, if a landowner was keen to sell a farm but not for farming to continue to be practised on the land, what right would the tenant farmer have if he were keen to buy the farm?

**Richard Lochhead:** The recommendations would extend the existing pre-emptive right to buy to an automatic registration for the pre-emptive right to buy. Therefore, in the circumstances Jean Urquhart outlines, the farmer would have the opportunity to buy the farm. The review group also introduces other circumstances that may trigger the pre-emptive right to buy. I hope that that will deliver the benefits that we want to see.

## Partnership Action for Continuing Employment

**The Presiding Officer (Tricia Marwick):** The next item of business is a debate on motion S4M-12154, in the name of Fergus Ewing, on partnership action for continuing employment—supporting individuals out of redundancy into employment.

15:27

**The Minister for Business, Energy and Tourism (Fergus Ewing):** To be made compulsorily redundant is one of the most unpleasant experiences that one can have in life. It can be grim, bruising and a cause of stress and anxiety. It often has an immediate impact on the ability to make ends meet. For the vast majority of people, losing one's income causes real financial problems; it can also damage one's sense of self-respect and self-esteem. Therefore, it is essential that our Government response to redundancy is as effective as possible.

The Scottish Government's initiative for responding to redundancy situations, partnership action for continuing employment—or, as it is better known, PACE—is one of our most effective interventions. I want to state the evidence to support that claim.

Research published in June last year indicated that of those surveyed who had received PACE support, almost three quarters—72 per cent—had obtained employment. That compares to the figure of 51 per cent in the 2010 survey.

Our research also shows that users are highly satisfied with the package of support that the PACE service is delivering.

We work closely with our partners such as local government and the business gateway. I am working with Councillor Steven Hagan—I spoke to him yesterday—and Hugh Lightbody on the issue. They have both provided positive feedback from across the country about PACE and the staff involved.

From April 2013 until March 2014, PACE supported almost 12,000 individuals. Many members across the chamber have contacted me over the past four years or so about PACE support for their constituents. One purpose of the debate is to hear the thoughts of members from all parties on how we can build on PACE's success and make it even more successful.

The economic climate is relevant. Employment levels are at an all-time high and Scotland is the best-performing United Kingdom nation across all headline labour market indicators. That will help

some of those who lose their jobs through redundancy to enter alternative employment.

Of course, we also want to minimise the number of people who face redundancy. Our programme for government sets out our commitment to boosting the economy, building a fair society and tackling inequality. Our business support policies focus on ensuring that businesses can grow and thrive and on working to help companies to avoid situations in which there is a risk of redundancies.

Through their account management systems, our enterprise agencies, who are PACE partners, provide a range of early preventative measures to negate potential closure and alleviate difficulties. Measures are tailored to the network and involve banks, which help to raise finance, business organisations, professional bodies and relevant public sector representatives, including United Kingdom institutions such as Her Majesty's Revenue and Customs and the enterprise agencies. Work in the early prevention field, which operates on a confidential referral basis, almost always goes on behind the scenes—and rightly so.

When the issue is tax payments, we work effectively with HMRC, which is a PACE partner. HMRC might offer time to pay, which is a temporary option for viable businesses that are experiencing short-term difficulties in paying tax in full and on time.

The challenge is to encourage a business to engage early to address potential difficulties before they become insurmountable. The Labour amendment sets out the need for such a function, and I assure Labour and other members that preventative work is done—it is done well, it is done thoroughly and it is a priority. We carry out a great deal of work—I work with partners in local government, in particular, and the enterprise network, to that end.

**Lewis Macdonald (North East Scotland) (Lab):** Does the minister agree that there is a case to be made for forgiveness of Scottish-level taxation in the circumstances that he describes, as well as for forgiveness or relief on taxes that are due to HMRC?

**Fergus Ewing:** As a lawyer, I should say that there is a difference between forgiveness and deferral. What I am talking about is HMRC not writing off debts but permitting more time to pay, when that is required for cash-flow reasons. For example, the sudden liquidation or insolvency of a main customer who owes a company a couple of million quid can trigger a cash-flow crisis. In general, we expect businesses to pay their debts in full, over time.

I stress that PACE is available for every individual who is affected by redundancy and not

just for people who are caught up in large-scale redundancies. Perhaps more can be done to reach out to companies who make redundant one, two, three or a handful of people, as well as the headline cases.

Skills Development Scotland delivers PACE on behalf of the Scottish Government, in conjunction with key partners, including the Department for Work and Pensions. There are 18 PACE teams across the country, with 12 in the central belt and south of Scotland and six in the Highlands and Islands.

SDS also provides services to the unemployed and to people who are in employment, through the employability fund, which I think is of the order of £52 million, and flexible training opportunities, which offer in-work training. The employability fund caters for the consequences of redundancy at a human level.

In the 2014 to 2020 structural funds programmes, £115 million has been allocated to the 32 local authorities across Scotland.

I ask, in the hope of a positive response from my Labour friends, whether there is really a need for a resilience fund, in light of the fact that two substantial existing public sector funds—of £115 million and £52 million—cater for the consequences of large-scale shocks to parts of the country. I suggest that the existing funding deals with the situation adequately. However, if Labour members argue that there has been insufficient funding to deal with matters appropriately, I will of course be more than happy to discuss the cases in detail with Mr Macdonald or his colleagues.

Scottish Government funds and structural funds have to be applied very carefully. European Union rules are stringently applied and penalties have been imposed in many cases in other jurisdictions. The Scottish Government funds and structural funds ensure the continuation of employability pipelines and offer substantial support and back-up to communities.

On 23 June 2009, John Swinney established the ministerial PACE partnership, which now includes 21 organisations, together with the Scottish Government, and oversees a continuous improvement programme to enhance the operation of PACE.

Each PACE response is tailored to meet the needs of the individuals involved. In some cases, there will be time for a planned phase of support to be developed. For example, at Philips Lighting, working closely with the employer and Unite the Union, the local PACE team delivered a comprehensive programme of support services over seven months.

Trade unions play a key role. The Scottish Trades Union Congress is a PACE partner and I thank the STUC for its support. Just this morning, speaking at the first of two conferences in Aberdeen, I discussed with Stephen Boyd our co-operation in cases such as the Scottish Resources Group, Scottish Coal, Freshlink and Remploy. In those and other cases, we have worked closely together and have built up an excellent personal working relationship. That is what we have done with the STUC and we hugely value it.

Similarly, our colleges across Scotland—another PACE partner—form a key and integral part of PACE. Many of the individuals who have received help have received the right help to retrain, in part because of the opportunities that they have been able to get in our colleges.

Experience shows that the earlier PACE support can be provided to individuals, the more effective that support will be. I make a plea to employers: despite the commercial considerations involved, earliest possible notification to PACE of potential redundancy and a formal redundancy period means that it can provide a period of three months or even longer for employees to adjust to the consequences—financial and other—of proposed redundancy.

Much of my work relates to liaising with insolvency practitioners, and my prime concern is to make every effort to seek a positive outcome in order to preserve jobs. For example, in the case of City Link, I spoke with the administrators to offer support, but they were of the view that the business could not continue as a going concern. I also met representatives of the National Union of Rail, Maritime and Transport Workers in relation to City Link and we subsequently held five PACE redundancy support events across Scotland for affected employees.

Another recent case was West Coast Capital (USC) Ltd, where both I and my officials had difficulties in contacting the parent company. Despite that, we were able to provide some PACE support for those who were being made redundant.

I thank insolvency practitioners for all the support that they have given to our efforts. I spoke to Derek Wilson of the Institute of Chartered Accountants of Scotland yesterday and I will be meeting him and Michelle Mullen of ICAS to discuss further joint working in the next couple of months.

No one welcomes insolvency and the horrendous impact that it can have on individuals and employees, but there are some instances of a positive outcome emerging and it is important to recognise that that can happen in a minority of cases. For example, there can be an injection of

substantial capital and a stronger business case for the future, as happened in the case of Ferguson Shipbuilders and in the case of Hargreaves taking over from Scottish Coal. It can lead to a more secure, better, more robust and more profitable business replacing one that was ailing.

Across Scotland, I see local authorities and national agencies working together effectively to deliver business support and responding to particular situations. It is a very good example of team Scotland in action—21 different bodies acting well together.

Sometimes, circumstances require the intervention of national Government—not in every case, but in some cases there can be value in intervening directly. We have established task forces to bring together national and local politicians, public sector agencies and company and workforce representatives.

This week, we see the first meeting of the energy jobs task force, which is focused on supporting jobs across the energy sector, including jobs for apprentices. It has an initial focus on oil and gas, given the current challenges that are being faced in that sector. I am delighted that Lena Wilson, the chief executive of Scottish Enterprise, is chairing that task force and is personally committed to driving forward that work. I spoke to her yesterday about it and will be working closely with her on that.

Over the past two years, I have chaired the Scottish coal industry task force, which was established in April 2013, when two major coal operators—ATH Resources and the Scottish Resources Group—went into liquidation, resulting in more than 700 job losses and significant restoration liabilities. In that case, the work that we did together resulted in around 500 people resuming employment. That is not a bad result, given the difficulties and the scale of the task.

I have mentioned just a few specific cases. There are many others; perhaps members can talk about them when they speak about what has happened in their parts of Scotland.

I pay tribute to the PACE team, which is led by Margaret Sutor, and to her 18 teams of colleagues around the country. They provide very strong support to people at a rough time in their life in a human, sympathetic and effective fashion. It is no surprise that that support is genuinely appreciated by the substantial majority of people who receive their services. Much of the PACE team's work is done under the radar—it is unseen, unreported and unappreciated. Today's debate is, among other things, an opportunity to pay tribute and to give credit to its members.

I believe that PACE is an excellent example of the Scottish Government working in partnership with all our other partners and bodies to maximise the benefit for individuals, for communities and for Scotland's economic growth.

I move,

That the Parliament recognises that the Scottish Government's initiative for responding to redundancy situations, Partnership Action for Continuing Employment (PACE), with teams around Scotland, brings 21 organisations together with the Scottish Government; considers that it has performed well in its core function of helping those made redundant gain other employment or opportunities; notes that the most recent figures show that nearly three quarters of those who received PACE support went into employment, and urges the Scottish Government to continue to work with industry, workforce representatives and the third sector to provide the best possible and practicable assistance to those who have been made redundant and to spread awareness and knowledge of what PACE is and does.

15:41

**Lewis Macdonald (North East Scotland) (Lab):** The debate is timely, because the Scottish economy is facing the threat of thousands of job losses as a result of the falling price of oil. Partnership action for continuing employment clearly has a part to play in responding to that threat, but PACE is not enough on its own. That is why Scottish Labour's amendment proposes a resilience fund to strengthen the response to economic shocks at a local level.

We recognise the role of PACE, and I echo the minister's comments about the personal qualities of the staff in the PACE teams. We welcome the fact that the Scottish Government has brought forward a debate on a report on PACE that was published in June of last year.

The news release at the time—which had the headline "Scottish Government PACE initiative five years on"—told us that

"the Scottish Government established the PACE Partnership"

in response to the economic downturn

"In June 2009".

At first glance, that might seem curious, given that the first-year review of PACE was published by the then Scottish Executive 14 years ago, and that PACE was launched under that name in March 2000 but, of course, ministers know that they did not invent PACE, and that what we are debating is an initiative that is almost as old as devolution itself. However, it is true, as Mr Ewing said, that PACE has been around in its current form only since 2009, and that the changes that were made then were more than simply a minor rebranding for public relations purposes.



Last year's report highlighted enhancements from a continuous improvement programme that included a PACE helpline, a new data capture system, an evaluation framework and improved support in a number of fields for people who are made redundant. Helplines and data capture systems can be very significant, but the most substantial changes that have been made to PACE, in comparison with its operation a decade ago, have been to who leads the partnership action and to the scope of ambition on continuing employment.

When it was first established, PACE was seen as an economic intervention tool, the role of which was to bring together Government agencies to protect existing jobs as part of a wider approach to supporting the productive economy. That is why Labour's amendment highlights the original remit of identifying companies or sectors that are in difficulty at an early stage; promoting partnership working between public sector agencies and private companies to mitigate that difficulty and avoid job losses; and, when that joint working fails to avoid job losses, working to get people back into employment as quickly as possible.

Because PACE's role was originally about the wider economy, the lead was taken by the enterprise agencies, and the real strength of PACE in its first few years was that leadership and delivery were provided by local response teams that brought together the local enterprise company, the local council and the then equivalent of Jobcentre Plus. Local enterprise companies were done away with in the Scottish National Party's first term, and local response teams are no longer under the aegis of the enterprise agencies, although, as the minister said, PACE now encompasses the business gateway. Instead, Skills Development Scotland leads on the delivery of PACE on behalf of the Scottish Government, and that shift of focus is reflected in the Government's motion.

The motion describes

"helping those made redundant gain other employment or opportunities"

as the core function of PACE, rather than as one of a number of equally important tasks, as was the case in its original remit.

Getting unemployed people in those circumstances into jobs is rightly a very high priority on which the national skills agency should provide a lead, but the original vision that inspired the creation of PACE was also a vision of preventing those redundancies from happening in the first place. Prevention is better than cure; indeed, the Government has said that it is in favour of preventative spend rather than simply picking up the pieces. The Government's ambition

must be about continuing employment for whole sectors and workforces, and not only about enabling individuals to find alternative jobs, highly important though that is.

All the agencies and organisations that are involved in PACE are doing their best to help, but we believe that the Government needs to look at the bigger picture. The Government, or the enterprise agencies on its behalf, should assess the effectiveness of early intervention to prevent redundancies to see whether the change of focus over the past five years has reduced the ability of public agencies to prevent redundancy situations from arising in the first place.

**Fergus Ewing:** I agree on the need to intervene early, but I assure Mr Macdonald that the enterprise network is also absolutely persuaded of that need and that it devotes a considerable amount of the time and effort of its officers, account managers and leaders to that end across a range of activities, including the co-ordinated support mechanism and the early intervention network.

**Lewis Macdonald:** I do not doubt that the will and the good intention exist; the question is how far the enterprise network is able to deliver early intervention, given the strength of focus on post-redundancy situations.

For example, what has taken the place of the local enterprise companies in providing early warning or local intelligence of what is going on in the local economy? How far are local trade unions or, indeed, local employers engaged on a routine basis in sharing their knowledge of risks or threats to local jobs? We need to know whether the appetite or the capacity to address risks that have not yet become threats has been significantly affected by moving PACE from having an enterprise focus to having a skills development focus.

For all those reasons and given new threats to jobs in the Scottish economy, the Scottish Government should look again at PACE's role and remit to see whether it is fit for purpose, rather than simply saying that we need to do more of the same.

The most serious new threat to jobs in Scotland is posed by the prospect of low oil prices over an extended period, of course. In the view of some in the sector, they will possibly be low for as long as two or three years. Yesterday, Aker Solutions followed Chevron, Shell, BP, ConocoPhillips and Talisman Sinopec in announcing hundreds of further job losses in Aberdeen and across the UK.

**Christian Allard (North East Scotland) (SNP):** I heard what the member said about how to help individual companies when they are in difficulties, but still I cannot think but that the Scottish

Government is going about things in the right way by helping sectors rather than individual companies. It is very important that we are not seen to use public funds to help failing companies. We should use public funds to help the sectors. Does the member support the Scottish Government in wanting a change of taxation in the oil and gas sector that will help the sector rather than individual companies?

**The Deputy Presiding Officer (Elaine Smith):** I will reimburse Lewis Macdonald's time.

**Lewis Macdonald:** In a sense, the point that I am making is that it is not simply about picking up the pieces when a company goes bust; it is about intervening to assist sectors by using early intelligence—it is about making such interventions.

As Mr Allard will know, besides the headline figures of hundreds of jobs going at major oil companies, many other jobs have gone quietly in many of the smaller companies in the sector. We need an assessment of the impact of those job losses on the wider economy before we can make a sensible estimate of how many thousands of jobs have already gone and how many more are at risk.

My question is this: how far has PACE contributed to anticipating or mitigating the loss of jobs in the oil sector in the north-east and beyond? The Scottish Government certainly seemed to underestimate the impact of the falling price of oil on the Scottish economy for a long time and to regard it as merely cyclical or a blip rather than as a serious threat to future production and employment.

We welcome the offer to protect oil industry apprenticeships, of course, but it is worth noting that all the companies that have announced major redundancies so far have gone out of their way to avoid including apprentices in those who are losing their jobs. We welcome the establishment of a task group, but it is critical that it makes serious proposals very quickly.

As the minister acknowledged, Labour's amendment promotes one such proposal—to establish a resilience fund as part of the next Scottish budget. Just as a local council that is faced with an environmental shock such as major flooding can apply for extra funding under the Bellwin scheme, so a local council that is faced with a sudden and unforeseen economic shock could apply to the Scottish Government for support from such a resilience fund. It could then use that funding to make a real contribution to local economic resilience, for example by providing short-term rates relief to help supply-chain companies survive an initial economic shock.

It seems to us that a budget of £10 million would be enough to get such a fund under way and to make a difference, for example in areas that are affected by the current position in the oil industry. However, the resilience fund would not be specific to any one region or sector. It would be part of a renewed PACE and would be an additional tool for partner agencies to use to anticipate and, where possible, prevent job losses in their local area.

If ministers were to take that proposal on board through the budget process, we would of course work with them to set the right criteria and conditions to get real added value from such an additional fund.

**Adam Ingram (Carrick, Cumnock and Doon Valley) (SNP):** I ask Mr Macdonald why Labour has come to this so late in the day. He might recall that, two years ago, the coal industry suffered a major crisis, with two of its main companies going bust. Why was there no resilience fund for the coalfield communities that I represent?

**The Deputy Presiding Officer:** I ask you to begin to conclude, Mr Macdonald.

**Lewis Macdonald:** Mr Ingram is absolutely right. The coalfields, particularly in East Ayrshire, are a very good example of exactly why a fund should happen. If he is chiding me for not coming to this sooner, I hope that he will chide his front bench as well and ensure that ministers now get behind the proposal and ensure that what was not done two years ago is done now and can make a difference.

We will continue to support partnership action for continuing employment and its work not just after redundancy but in seeking to prevent redundancy, in line with its original remit and purpose when it was set up 15 years ago. I hope that we can work with members of other parties to ensure that every mechanism that can help us to do that is in place.

To that end, I move amendment S4M-12154.1, to leave out from "considers" to end and insert:

"recognises that PACE was originally created with a remit to ensure the early identification of company or sector difficulties, to undertake partnership working with companies in order to mitigate difficulty and, only where redundancies are inevitable, get people back into jobs as quickly as possible; recognises that more needs to be done to support companies, sectors and regions faced with sudden economic shocks and difficulties to avoid or reduce the number of job losses; agrees that the work of PACE should be reviewed in order to identify where more proactive interventions can be made at an earlier stage, and calls for the establishment of a resilience fund to assist with these efforts with an initial budget of £10 million in 2015-16."

15:52

**Murdo Fraser (Mid Scotland and Fife) (Con):** I welcome this afternoon's debate on partnership action for continuing employment. We have become used to hearing the term "PACE" when redundancies are announced, and it is good to have this opportunity to debate in more detail PACE's work, how it functions and indeed how it might be improved.

With the overall economic picture improving, we hope that the requirement for PACE intervention will diminish. Since 2010, employment in Scotland has increased by 175,000 and unemployment has fallen by 61,000, and although there was a slight increase in the latest quarterly figures, our unemployment rate is still lower than that of the rest of the UK. Since 2010, some 265,000 new private sector jobs have been created in Scotland. All of that is, of course, testament to the economic stewardship of the UK coalition Government, which has delivered the fastest growing economy in Europe by pursuing a policy that was opposed at every turn by members on both the SNP and Labour benches.

However, even against that successful backdrop, the reality is that we have a dynamic market economy in which we will continue to see business successes and failures. Even at a time of overall economic success and growth, sectors will from time to time be hit by a downturn, just as we are seeing today in the oil and gas sector. In the past few weeks, a number of redundancies have been announced in that sector—the minister will be familiar with those—and I suspect and fear that others may come in the months ahead.

**Fergus Ewing:** Does Murdo Fraser agree that the main element that the oil and gas industry requires from government at present is for the UK Government to take urgent action to introduce the tax reductions that are needed to send a strong message, as Sir Ian Wood has said, throughout the world and to prevent irreversible damage from being sustained? Will Murdo Fraser, in a spirit of consensus, agree that the headline rate should be cut by at least 10 per cent and that an investment allowance and substantial exploration measures must be introduced as soon as possible?

**Murdo Fraser:** The minister and I have discussed those points on a number of occasions in the past few weeks. He knows perfectly that we support tax reductions to assist the North Sea oil industry, and Ruth Davidson has made the same point to the Chancellor of the Exchequer on numerous occasions.

The minister mentioned Sir Ian Wood. It is worth reflecting that Sir Ian himself has said that tax changes now would make no difference to the North Sea oil industry, nor would they prevent

redundancies—in fact, they would not have any impact for the next six to nine months.

Although I agree that the Westminster Government is required to take action, we should not pretend that that will have any impact in the short term. It should not absolve the Scottish Government, which has responsibility for economic development, from taking action itself to deal with the current situation in the North Sea.

**Christian Allard:** Will the member take an intervention?

**Murdo Fraser:** No—I hope that the member will forgive me, but I do not wish to be diverted into a debate about the oil and gas industry. We have had the opportunity to debate that in the past, and I am sure that we will debate it in the future. I want to talk about PACE, which is what the debate is about.

Where there are business failures, it is important that the individuals who are affected get the support that they need to help them to access benefits, find new work and retrain, and to make the transition into new employment that much easier.

The experience of individuals who have been involved with PACE teams has generally been positive. The minister referred to the report that was commissioned by Skills Development Scotland. It looked at client experiences of PACE, and found that three quarters of those involved were satisfied overall with their interactions with PACE, although older clients—those aged over 55—tended to be less satisfied than those in other age groups.

Two thirds of users suggested that PACE met or exceeded their expectations. The most useful component of the PACE scheme, according to the survey, was help with job applications and CVs. The good news was that nearly three quarters of clients had found work following PACE's intervention, although unfortunately more than half were being paid less than they had been paid in their previous position. Around a quarter had undertaken further education or training.

The overall conclusion is that PACE is providing a valuable service that is generally well regarded. Nonetheless, I appreciate that there remain on-going concerns.

I was interested in what the minister had to say about PACE's involvement with very small employers. There is a general view, which is clearly incorrect, that PACE is there only to help with large-scale redundancies. I wonder—perhaps the minister can deal with this point in responding to the debate—whether more can be done to work with business organisations such as the Scottish Chambers of Commerce and the Federation of

Small Businesses to ensure that they are aware of the availability of PACE support for their members and are spreading the message to them.

I read with interest Labour's proposed amendment to the Government's motion. I have sympathy with Lewis Macdonald on the point that

"the work of PACE should be reviewed in order to identify where more pro-active interventions can be made at an earlier stage",

although I note the minister's comment that that is already happening behind the scenes.

I listened with interest to Mr Macdonald's speech to see whether he would cite any examples of where there had been a failure to intervene. I did not hear many of those, but perhaps his Labour colleagues will expand on that point during the debate.

I am somewhat less convinced by Labour's call "for the establishment of a resilience fund".

If such a fund is to be established, we need to know exactly what it will be for; in what circumstances it would be called on; what criteria would be required for payments; on what basis a budget of £10 million per annum has been calculated; and on what exactly that money will be spent. It rather sounds like a headline looking for a story to be written to justify it. If Labour is going to attract our support for the amendment, it will need to provide a little bit more detail on those aspects.

With that caveat, I hope that the debate will be largely consensual. The Scottish Government told us in the middle of last year that some 63,500 people had received support from PACE, which reflects the number of large-scale redundancies that occurred in the economy. As I said, I hope that, with the general economic recovery, that figure will decline; unfortunately, the exception of the problems in the oil and gas sector will mean that we will require PACE to be in place for many years to come.

I join the minister in paying tribute to those who work for PACE. Their efforts are clearly valuable and the evidence suggests that they are well regarded by their clients. I hope that we can all agree that PACE deserves praise for its endeavours. I am pleased to support the Government's motion.

**The Deputy Presiding Officer:** We move to the open debate. I ask for speeches of six minutes, please; I have a little bit of time in hand for interventions.

15:59

**Mark McDonald (Aberdeen Donside) (SNP):** I have been reflecting for a few days on what I was going to say and I have been struck by the fact

that PACE is somewhat paradoxical, in the sense that it does very good work in communities, but we kind of hope that we will never need to see it do that work. If we do, it means that there are jobs at risk and redundancies in train.

PACE has been active in the north-east on a number of occasions in recent years, despite the fact that the north-east has, largely, been an area of economic buoyancy—it is the only part of the UK that grew its economy during the recession. That said, there have still been instances in the north-east of company insolvencies and redundancies.

In 2012, I raised with the minister the potential redundancies at Hall & Tawse Joinery Ltd in my constituency. During the Donside by-election the following year, I spoke to a number of employees who had gone through that process and had interacted with the PACE team. They spoke very positively about the work that PACE had carried out during that period of great uncertainty for many employees and their families.

I hear what Lewis Macdonald said about early intervention, which ties in with what I said about not wanting to see PACE doing its work because of what that work implies. Much of the early intervention work is work that we really should not hear about, because if it were to become public knowledge that PACE was interacting at an early stage, that would set hares racing in respect of the sustainability of companies and the job security of employees, which could affect potential future contract awards and so on. That, in turn, could have a significant knock-on effect. I understand Lewis Macdonald's point, but I think that the minister has given us some comfort that the early intervention work that he has outlined does take place. It would be better if we were to work on the basis that we do not want too much evidence of early intervention taking place lest it put companies in an awkward spot.

**Liam McArthur (Orkney Islands) (LD):** Mark McDonald has made a reasonable point, but does he accept that there is a period between the point at which a company—or a wider sector—is seen to be in fairly rude health and the point at which redundancies are having to be made, when there is an opportunity for interventions to be made that could stave off redundancies without revealing anything that the market, and those employees, would not already be well aware of?

**Mark McDonald:** I take Liam McArthur's point. I say merely that because of its connotation with dealing with redundancies, if word gets out that a company is involved with PACE there is a potential knock-on effect. However, that does not deflect from the fact that there should be early interventions where possible, and the minister has highlighted that that does happen. We need to

have faith in the fact that early intervention will take place and that we will not read about that early intervention taking place.

If there are examples in which early intervention has not happened, we need to hear about them. That has certainly not been my experience when companies in my constituency have gone through situations involving PACE. In those cases, there have been no complaints about the speed and efficacy of PACE's work.

Opportunities in relation to the on-going situation in the north-east could perhaps be the focus of the work of organisations that are involved in PACE. For example, at a recent briefing at North East Scotland College, it was highlighted to MSPs that the college was having difficulty attracting appropriate people to lecture on some oil and gas courses. An upshot of the work that is taking place in the north-east might therefore be to identify individuals from the redundancy rounds that are taking place who could be directed towards the college, or vice versa, in order, potentially, to fill that skills gap.

I turn to the resilience fund. Murdo Fraser made a strong point in that what happened initially was an announcement that a resilience fund was called for. Ever since, we have heard various stages of detail in relation to a fund. I get the feeling that we might, in another couple of weeks, finally see the crystallisation of exactly what that resilience fund would do. It now appears that local authorities can use that £10 million to provide rates relief in their areas. However, I question exactly what impact that would have in areas such as the north-east, where we have some large multinational companies. We are talking about supply-chain companies, but much of the cost cutting that is taking place in the oil and gas sector is focused on contracted staff and on staff who work within the sector itself—it has not yet started to leach into the supply chain. There needs to be a bit more detail of what the impact of the resilience fund will be.

I appreciate that this is not about just the oil and gas sector. Lewis Macdonald was a little bit unfair to my colleague Adam Ingram and perhaps wilfully misinterpreted what he said; I do not think that he said that Labour should have called for the fund previously. I think, rather, that he was questioning why Labour had not called for it previously if it is such a good idea. The minister has outlined the £52 million employability fund and the £150 million of structural funds that are now available to provide the economic support for communities and regions that Lewis Macdonald highlighted.

**Lewis Macdonald:** Will Mark McDonald take an intervention?

**Mark McDonald:** I will if it is brief.

**The Deputy Presiding Officer:** It will have to be very brief.

**Mark McDonald:** That is in the gift of Mr Macdonald. I give way to him on the basis that it will be.

**Lewis Macdonald:** Does Mark McDonald accept that the detail of such a fund is one thing but that the principle of enabling councils to apply for support to help supply-chain companies is another and something that the Government could work with?

**The Deputy Presiding Officer:** Mark McDonald, please come to a conclusion.

**Mark McDonald:** We had a little exchange on the matter last week. The devil is always in the detail of how such a fund would be applied, in terms of how effective it would be. A large amount of Scottish Government and European Union money is available to Scotland that is doing a great deal of good already in supporting employability objectives in communities.

I welcome the minister's remarks on the scale of redundancies. Although large-scale redundancies often grab the headlines, we should not forget that small-scale redundancies contain many individual stories and that the support that can be given to individuals and companies in those circumstances is just as valuable to local economies throughout Scotland.

16:07

**Margaret McCulloch (Central Scotland) (Lab):** Like other members, I represent a part of the country where there has been a recurring need for PACE teams. Communities across Scotland are still reeling from the loss of jobs at City Link, whose workers were told at Christmas that they would be out of work by the new year. Although the relocation of Rolls-Royce from East Kilbride to Inchinnan will not lead directly to redundancies, it is expected that it will affect the supply chain and reduce significantly the already declining manufacturing base in the town.

However, it was the closure of the Jeyes manufacturing plant in East Kilbride that prompted me to investigate PACE and to look in detail at the scheme's effectiveness. Jeyes is one of the country's leading manufacturers of cleaning products and fluids. Over 130 years, it has grown from humble beginnings to become a manufacturer with global reach. Retailers in over 60 different countries worldwide have Jeyes products on their shelves, and many of us will have some of those products in our kitchens and bathrooms.

East Kilbride shared in the success of the firm, having been home to the manufacturer for over 40

years. Yet, in 2012, Jeyes decided to consolidate manufacturing at Thetford in Norfolk and to close the East Kilbride plant, despite a strong counterproposal from local management, South Lanarkshire Council and the Scottish manufacturing advisory service. It was a profitable plant, and the workers were not just productive and committed; most of them were highly skilled and many had worked at Jeyes for over 15 years. The loss of those jobs was a body blow to the workforce and the manufacturing industry. Workers told me that the experience was most daunting for those who had been with the firm for years, but not long enough to consider retirement.

PACE teams were deployed. They provided assistance with CV preparation, interview skills and benefits advice—the practical support that we know is most valued when workers are being made redundant. I brought the factory workers who faced redundancy to my own jobs fair in East Kilbride and secured extra support from Skills Development Scotland at that event to reinforce their job-seeking skills. I also met the PACE team to hear in detail about how they approach workplaces such as Jeyes. The lessons that I took away from that experience are broadly reflected in the client experience survey, which has been mentioned.

Help with CVs and applications is overwhelmingly appreciated, and information about training and funding for training continues to rank among the most popular of PACE services. The initial presentation to workers could be delivered earlier, especially when a workforce is forewarned about an employer's intention to make staff redundant. Two thirds of those who were surveyed had to take a pay cut in their first job after the PACE intervention, and half continued in lower-paying work.

I want to stress that last point. PACE is our way of supporting workers who face redundancy to get back into the labour market, but the labour market is changing. To give workers the best chance of securing continuing and meaningful employment, we need to influence those changes. We need a strategy that insulates Scotland against economic shocks such as that in the North Sea oil and gas sector and which reverses the decline of our manufacturing base in places like East Kilbride.

If we believe in a strong, resilient, higher-waged and better-skilled economy in which growth is more evenly distributed, we must ensure that we do not simply replace the good-quality and secure work that we lose with less well-paid and less secure work. Indeed, our aim should be to retain the jobs that contribute most to the economy and to prevent painful and wasteful redundancies in the first place.

I believe that PACE services could be delivered sooner and that we must do more than respond to redundancy: where we can, we must prevent it. As we have discussed, there is a strong and compelling case for an economic resilience fund. For those reasons, I will support the Labour amendment. However, I say to all members that we cannot separate the issue of how we support people who face redundancy from that of how we reshape and rebalance the economy as a whole. For the sake of those who are faced with redundancy and those who are struggling with unemployment, we must ask ourselves whether the economy that we have is really the economy that we want.

16:12

**Chic Brodie (South Scotland) (SNP):** I welcome the debate and I will support the motion.

Some years ago, as a young manager with NCR, a manufacturer in Dundee, I had the privilege of working with a team of individuals and a company whose workforce increased from 1,100 to 6,500 on the back of demands resulting from decimalisation and the simultaneous creation of a new computer range. Sadly, because of changing technology and demands, the number eventually fell back to 1,500 over six years and seven periods of redundancies—the consequences of which still live with me today. Not once or twice but seven times, I sat opposite good colleagues, who were wives, mothers, husbands, fathers and others, and advised them that their job was redundant. That still hurts to this day and it is why, in every election since, I have made job creation and continued employment my major driver.

PACE did not exist then but, happily, it does today. It draws together local and national bodies such as SDS, Jobcentre Plus and local authorities along with the STUC and affiliated unions to provide a rapid response to redundancies. Change is constant and redundancies are a consequence—a limited one, we hope—of change, whether it be economic, competitive or financial change. How we address redundancy is absolutely critical, and it must be done speedily.

Of course, our first objective has to be to minimise the risk of redundancy. That is done by having a focused economic strategy that is underpinned by a business support infrastructure that embraces our enterprise agencies, by the security of capital investment—we have invested £11 billion over the past four years—and by the creation of opportunities for young people through modern apprenticeships and things such as the youth employment fund.

As I said, change is constant, and the strengths of our economy—our small business sector, our

exports and foreign direct investment—will not buttress us wholly against the business circumstances that end in compulsory redundancies, such as those that I mentioned. However, a rapid response task force such as the PACE partnerships, of which there are 18 in Scotland, is the appropriate vehicle to mitigate the challenge of those redundancies.

Without such a vehicle, how would the 63,500 individuals throughout Scotland who have been made redundant over the past five and a half years have responded to their situation? Members should imagine the landscape of Vion and Hall's of Broxburn. The serious impact of the closure of the opencast coal mines in East Ayrshire and elsewhere has been mentioned. Now, we have redundancies as a consequence—albeit, I believe, a short-term consequence—of the downturn in the oil and gas sectors.

What would people have done without the support of PACE? Those and other redundancy challenges demanded the construction of that Government-led initiative, which proved to be successful. I pay particular credit to the role of the STUC and the unions in PACE, because of my experience with NCR. At that time, when there was no such partnership, the unions did what they felt that they had to do to protect jobs.

PACE is an important ingredient in getting people back into work—not least our young people. However, I suggest that our horizons should not be limited.

In an increasingly confident economy, we need new entrepreneurs and new businesses. PACE emphasises greatly training and bringing people back into work, but I would like it to place a greater emphasis on the creation of new small businesses through facilitated investment and meaningful business mentoring. How many embryonic engineering services or export supply companies could be set up by people who currently face redundancy? Our international network and competitiveness might secure more rapid jobs and employment growth with the creation of such productive small businesses and/or social enterprises in anticipation of the recovery of whatever sector they are in.

Notwithstanding the basis of, and need for, PACE's creation, it has had success in achieving what it set out to do. More power to its elbow.

I support the motion.

16:17

**Liam McArthur (Orkney Islands) (LD):** With the publication of this week's figures on exports and growth, all the indications are that our economy is continuing to emerge from the depths

of the difficulties that it faced in the not-so-distant past. We see relatively strong progress on employment, unemployment, business confidence and a range of other measures as the economy in Scotland and throughout the UK continues to recover—thanks in no small way to the tough decisions that the coalition Government is taking. Even average wages are starting to show signs of improvement, which is particularly welcome.

Nevertheless, no one would reasonably argue that we are out of the woods yet, and circumstances will remain challenging in a range of sectors. That is borne out by a series of disappointing announcements by a range of companies over recent months, notably—though not exclusively—in the oil and gas sector.

In that respect, the Scottish Government is to be congratulated on the debate's timing. Whether the debate proves useful will depend on the minister's willingness to reflect on the constructive speeches that have been made and to make changes where they are necessary.

The motion was not initially encouraging about that. It demonstrates a legitimate element of self-congratulation about PACE and an absence of any recognition that improvements might need to be made. However, to be fair, the minister corrected some of that in his opening speech.

I acknowledge the contribution that PACE makes and its strengths. Mr Ewing's motion rightly points to the collaborative approach, which is a genuine strength and is integral to making the interventions work. Of course, that involves not simply collaboration across the public, private and third sectors—including the trade unions, as a number of colleagues have said—to which the motion refers but joint working within the public sector. Under the constitutional set-up that exists and in a post-Smith commission context, there is an imperative for both of Scotland's Governments to work closely and constructively together. Turf battles do nothing to help the people whom PACE exists to serve.

It was therefore disappointing that the First Minister initially chose not to specifically include UK departments and agencies such as the Department of Energy and Climate Change and the Department for Work and Pensions in the task force that was set up in response to the challenges that the oil and gas sector faces. That said, I welcome the apparent change of heart that there has been following the representations that my colleague Willie Rennie made at First Minister's questions earlier this month.

The task force's establishment is nevertheless welcome, as is the decision to guarantee apprenticeships across the oil and gas sector. Although it would be unfair to draw comparisons

between that sector and others in our economy, I wonder whether the commitments that have been given will be expected to be matched elsewhere in the future. Perhaps the minister can come back to that in closing.

Mr Ewing is entitled to point to the statistics on those who have been helped into employment and other opportunities as a result of PACE support. Nevertheless, that rather glosses over some of the shortcomings that have been highlighted by at least some of those who have experience of PACE. Whether or not those are minority views, they represent valid and valuable feedback that we should note and on which we should take action.

As more than half those who have had PACE support have confirmed that they have moved into employment with salary levels that are lower than those that they had previously, concerns have been raised about the lack of personalised support. There is a reduction—albeit slight—in the number of people who rate the PACE support as relevant and useful and, as PACE is often a signpost to other services, it is a concern that more of those who rely on it might be finding it less effective at meeting their needs than it previously was.

Those findings are not wholly surprising to me, as they reflect some of the feedback that I have had recently from constituents who have been on the receiving end, as well as complaints about a lack of early contact post-redundancy. Offers of help with sprucing up a CV were seen as inadequate in the circumstances.

It will certainly be interesting to see what overall feedback there is from those in the wave energy sector who have found themselves in need of PACE support in recent times. Two months after Pelamis Wave Power went into administration, it appears that the problems that the sector faces are not deemed sufficiently important to merit a debate in the Parliament—frankly, I find that situation inexcusable.

**Fergus Ewing:** As Mr McArthur knows, we have had a private meeting, and I am happy to have a further briefing session with him. I assure him that Highlands and Islands Enterprise is working very hard on the future of the wave energy sector in Scotland. I am happy to confirm that that is receiving a great deal of my attention and the attention of Alex Paterson of HIE, and that it is very much a priority for the Scottish Government.

**Liam McArthur:** I thank the minister not just for that intervention but, as he said, for the time that he has committed to discussions with me and Alex Paterson. However, it is remiss of the Parliament not to have taken the opportunity to debate the

wider issues, notwithstanding the commercial sensitivities that relate to some of the discussions on Pelamis and the establishment of wave energy Scotland.

Another area flagged up in recent feedback reports on PACE as requiring attention is the need for a more timely point of intervention. Those in the wave energy sector would perhaps agree with that assessment, which in essence speaks to the points in Lewis Macdonald's amendment. I note Mr Ewing's reassurances, but I observe that it is not good enough for PACE to be seen as something for ministers to refer to when MSPs ask them what they are doing in response to major job losses in a constituency or region.

Originally, part of PACE's purpose was to identify key companies or sectors that were experiencing difficulties and to intervene to mitigate difficulties, reduce any job losses and help those who were made redundant into new employment. That is not always possible, of course, but we must absolutely guard against PACE coming to be seen as a response after the fact, rather than something that is activated much earlier in the process. I have even seen ministerial responses that refer to PACE standing ready to provide whatever support is needed, which suggests a level of reactivity that does not altogether inspire confidence.

The final aspect that I will reflect on is the role of colleges in helping to deliver pathways back into employment. Although some former employees can be taken on by competitor companies in similar roles and on similar terms, in general, some retraining and reskilling is inevitable. Colleges are crucial to that, so the cuts to college budgets that we have had over the past two or three years are a concern. Everyone knows that the cuts have had a disproportionate effect on older learners.

It is right and welcome that the Scottish Government has given Parliament the opportunity to debate PACE's work and consider its strengths and weaknesses. The collaborative approach is essential and those involved can feel justifiably proud of many of the interventions that they have made. However, we owe it to them and to those whom PACE is there to serve to ensure that we acknowledge where things are not working as effectively as they should; otherwise, this well-motivated motion and debate, on a valuable and generally well-regarded service, will be seen as a missed opportunity.

16:25

**Adam Ingram (Carrick, Cumnock and Doon Valley) (SNP):** As I have been made redundant twice in my career, I can vouch for the authenticity



of the introduction to the PACE guide that is issued to people who face that prospect, which states:

“Redundancy can be one of the most challenging and stressful things you’ll ever face. And you’ll understandably feel daunted and unsure of what to do next”.

Thankfully, nowadays, PACE is there to help with all the support and advice needed to move on and out of that crisis.

As an Ayrshire MSP, I can vouch for the effectiveness of the PACE response to the all-too-frequent calls on its services. Some of them involve large-scale job losses, such as those at Johnnie Walker’s bottling plant, which were especially painful for my colleague Willie Coffey and his Kilmarnock constituency. The notice that was given at that plant and the long lead-in time allowed PACE advisers to reduce the final redundancy figure to just over 10 per cent of those who were initially expected to be seeking work.

More difficult issues have arisen when companies have wilfully failed to engage in the PACE process or entered suddenly into administration. I will highlight two cases that illustrate problems that need to be addressed, perhaps through better company regulation.

The first case relates to the collapse and liquidation of two major companies operating in the opencast mining sector, Scottish Coal and ATH Resources, neither of which was willing to engage with PACE at the appropriate time. That inevitably resulted in more than 700 workers nationwide and 311 in East Ayrshire alone being left with neither work nor any immediate sense of support from the public sector. To his great credit, the minister acted swiftly and set up the coal industry task force to rescue the industry’s viability, and East Ayrshire Council set up a local response team, which significantly enhanced the public sector response.

The effectiveness of the PACE partners’ response is best illustrated by a survey a year after the event of those who were made redundant, which showed that only 13 per cent of the workforce were still unemployed and looking for a job. That was despite the fact that Scottish Coal had failed to train and certificate levels of competence in its workforce, which would have allowed employees to secure equivalent jobs outwith the company.

The second and truly scandalous case is that of USC in Dundonald, in my constituency, which I raised at First Minister’s question time a little over two weeks ago. That establishment is part of the Sports Direct group of companies, which is owned by billionaire Mike Ashley and is the UK’s biggest sporting goods retailer. The facility was summarily closed without warning or notice to its workforce

on 7 January. Even before employees knew that was happening, a fleet of Sports Direct trucks had arrived at the warehouse to remove its stock. I say to Lewis Macdonald that there was no chance there for early intervention.

That blatant breach of statutory duty was further compounded by management’s refusal to allow PACE to access the site. Despite repeated attempts by the Scottish Government and the minister, Sports Direct ignored offers of help for USC workers, and access was not granted until administrators were on site a week later.

That is deplorable behaviour and it should not escape severe legal sanction, but it probably will, given the weakness of UK employment law. A loyal workforce of 88 people has been treated with contempt by an extremely wealthy employer who appears content to wash his hands of any responsibility to pay redundancy pay or even wages due. That truly is the unacceptable face of capitalism and it makes a mockery of our industrial relations system.

As the minister highlighted, the Scottish Trades Union Congress is one of the PACE partners, and I was pleased to attend a meeting organised by it for the USC workforce with Thompsons Solicitors, which specialises in employment law. The aim of the meeting was to inform people of their rights under the law to seek compensation for USC’s failure to consult on redundancy by way of protective awards through an employment tribunal. Even if that process is successful, it can take six months to a year to complete, and it clearly does not deal with the immediate financial crisis that many of the redundant workers face. That area of employment law needs to be strengthened.

There is an unanswerable case for the powers over employment law to be devolved to the Scottish Parliament to bring about a much-needed enhancement of workers’ rights. Exploitative employers such as Mike Ashley require to be held to account for their actions.

16:31

**Drew Smith (Glasgow) (Lab):** Over the afternoon, there have been perhaps two dozen of us in the chamber. We all have different experiences and skills, and of course there are differences in our political outlooks, but we have one thing in common that separates us from any similar-sized gathering of the people we represent: we are all well paid; we are all reasonably secure in our jobs, at least until election time; and the chances are that most of us enjoy or receive some fulfilment from our work.

Some of us have experienced unemployment, as Mr Ingram said, and others, such as me, grew up in families who have had shorter or longer

periods where one or two parents were looking for work. For the moment, as a representative gathering of people in Scotland, we are unique in that none of us is unemployed, none of us is at risk of unemployment and none of us is suffering underemployment or enduring unfulfilling or even exploitative employment.

I say that to put in context the rest of my speech. It is all well and good to thank those involved in efforts to secure continuing employment for others, and I absolutely do so, but we should remember that a lack of work is a deeply personal and debilitating thing that can render an individual humiliated, to the point of contributing to mental illness. It can put stress on a family to the point of family breakdown. It is quite simply a social evil and it should be regarded as such. It is not just a matter of policy, whereby we view redundancies as an undesirable outcome that is to be minimised, a cost that must be borne or—worst of all in my view—a tragedy that is somehow unavoidable or unpredictable.

Redundancy is not an act of God, although there are situations where the person or company making the decisions about redundancy behaves in that way. That is the reality—they are very clear about who is playing the role of deity in those situations.

I absolutely agree with what Lewis Macdonald and Mark McDonald said in support of PACE, but we need to do much better than this. Redundancy is an outcome that society has come to accept too readily as a normal part of the economic cycle. I accept that there are situations where it is the only option and where the employers involved pursue it with genuine grief and after strenuous efforts to prevent it. In those circumstances, initiatives to advise redundant workers of their best chance of being re-engaged are necessary, but in most circumstances they are still reactive.

I have to question why the lead partner for PACE is still Skills Development Scotland, which is a training body, rather than Scottish Enterprise, which is the jobs and economic development agency. I agree that encouraging workers to reskill for a job other than the one for which they have been trained is necessary in some situations and that it can be positive—some people might never look back after that experience—but we need to face other facts that follow from pursuing only that approach or from pursuing it first. Some workers will not be reskilled at all and will in effect be deskilled, because they will discover that their period of unemployment or instance of redundancy leads not to an opportunity for career development but to being underpaid in a new occupation for which the qualifications or skills are not comparable to those of their previous employment.

We need to remember that one of the important purposes of PACE is to ensure continuity for the household or family affected by redundancy. However, someone does not have continuity by having another job for which they are paid substantially less than they were before, which can have a severe impact. They also do not have continuity if they are moved on to a job in which job security is low, which could be the result of various things that we talk about regularly in this place that are happening in the economy, such as zero-hours contracts, being asked to work without a contract and collective bargaining being non-existent.

I listened carefully to Mr Ingram's point about USC in Dundonald and I agree with what he said. One reason why the STUC and Thompsons Solicitors needed to step in was that there was no collective bargaining in that workplace, no recognition of a union and no density of union membership, which meant that people were unaware of their employment rights at the time of redundancy. I agree that employment rights should be improved, but there also needs to be greater understanding of the rights that people have now and respect for them from employers.

As I have said in the chamber before, the world of work consists of good employers and less good employers, just as the workforce is made up of good workers and not-so-conscientious workers. The point is not to denigrate all for the sins of a minority but to recognise that the necessity of selling our labour in the workplace has a fundamental potential for exploitation. It is for that reason, and not because of the circumstances of particular companies, that employment requires to be regulated.

There is no greater example of the potential for exploitation than the situation of redundancy, the threat of which can be and—frankly—is used to ensure that workers comply with working practices that employers wish to promote that generally lead to greater job insecurity. I mentioned temporary contracts in that regard, and among plenty of other examples there is bogus self-employment.

When a workforce as a whole or a substantial part of it has been declared redundant, we need to recognise that it is not the work that is redundant but the workers; the work is simply moved elsewhere, more than likely to where the company will term it to be more competitive, which basically means that job security, pay or safety regulations will be weakened.

**The Deputy Presiding Officer:** I would be grateful if you began to conclude.

**Drew Smith:** We need to go back to first principles on PACE. We all accept that it is doing good work, but it is mainly a reactive service. I

hear what the minister and others have said about the wish to protect companies from revealing information about their situation, but we need to have a greater deal of confidence and expectation that companies will engage early with the service so that redundancy is avoided rather than just mitigated after it happens. I therefore support the Labour amendment.

16:39

**Dennis Robertson (Aberdeenshire West) (SNP):** With partnership action for continuing employment, the partnership aspect is very pertinent. We must look at how we use that partnership within the communities where we live and the constituencies that we represent.

Murdo Fraser raised the important aspect in his speech of the smaller agencies and companies—the small and medium-sized businesses. At the PACE conference in February 2014, Colin Borland from the Federation of Small Businesses mentioned that very area and the individual support that seemed to be lacking for that particular group. I recall that the minister, Fergus Ewing, responded positively to the issue.

The interesting thing about the conference—I think that the title was “A Change of PACE?”—was that it looked at all the aspects of PACE and how it operates in the sector in order to enable early intervention. I concur fully with Mark McDonald: it would be wrong to advertise the early intervention of PACE in a sector or an organisation, because that would undermine the confidence of the area. It is okay to say that PACE is involved once redundancies have been announced and the matter has hit the headlines. However, my understanding is that PACE can be and is involved at an earlier stage. When we are looking at continued employment, we are sometimes looking at preventing the redundancy from happening in the first place. That is about looking at alternative means to secure work for the employee.

It would be remiss of me not to mention the energy sector, given that I represent the Aberdeenshire West constituency. As the minister knows, I often mention Westhill when I am in the chamber because it is Europe’s subsea sector capital.

I welcome Lena Wilson’s appointment to the energy jobs task force. With her expertise and knowledge from Scottish Enterprise, she will fulfil her role remarkably well in reporting back to the minister on her discussions with the energy sector, and specifically those on oil and gas.

We must ensure that we do not create a situation in the sector that does not exist. If we say that there is a crisis in the sector, our young people going to college or university or our

graduates looking for a future in oil and gas may look instead at alternatives for their education and training. We cannot afford for that to happen.

We have a well-recognised skills shortage in the industry. If we continue to highlight that there is a problem in the sector, it is only right that our young people will start looking at alternatives. I suggest to the sector that we ensure that there is a very positive message out there about there being a future in the energy sector. We must get the balance right. We must ensure that those coming through the college sector have the prospect of employment and that those graduating from the university sector have an opportunity, too.

We cannot and do not control the oil price, but we can control the message that we portray about the sector to our young workforce. The PACE initiative is important in that regard. It is important that our young people have appropriate skills. SDS provides a great opportunity to upskill some of our young people or those who have been made redundant. Those people should be given the opportunity not to deskill but to upskill with new skills to make them more employable in the sector, because the sector will need them.

What can be done? I take on board Murdo Fraser’s comments about Sir Ian Wood. However, I say to Murdo Fraser that I have heard it said on more than one occasion—and I think that this is still the case—that the oil and gas sector is seeking stability in its taxation. The sector is looking for a reversal of the tax hike that happened in 2011. It is looking for incentives to explore difficult areas in the North Sea.

Something can be done now. I hope that the Labour Party will work with the Scottish Government in trying to ensure that George Osborne, the Chancellor of the Exchequer, makes an early announcement to assist the sector by giving it stability and the confidence to move forward. That would make the jobs of the PACE partners much easier as they talk to people in the north-east about prospects for a bright future, especially given the current situation.

Let us welcome the work of PACE and the opportunities that remain in the sector, because that is the future.

16:45

**Christian Allard (North East Scotland) (SNP):** I am delighted to follow Dennis Robertson, with whose comments I agree whole-heartedly.

It is important that we understand where we are at. Scotland’s economy continues to grow and our unemployment rate is the lowest in the UK. We have to understand that, and we must be careful

when we talk about job losses. Many jobs are available across sectors.

All that success is the result of the Government's understanding of businesses and use of the economic levers at its disposal. I wish we had more economic levers, such as control over employment law, as Adam Ingram said.

Members talked about the situation in the energy sector. Half the oil and gas operatives have reported a reduction in contractor staff and almost two thirds expect further reductions in contractors this year, according to a survey by Aberdeen and Grampian Chamber of Commerce.

Along with other people, Dennis Robertson and I attended a meeting last week at which we were told that a lot of the job losses had been planned, following Sir Ian Wood's recommendation that the industry be streamlined. We have to understand the context: the job losses are not all due to the fall in the oil price, although further job losses might be due to that.

There is an easy answer to all of this, as Dennis Robertson said, but the chancellor's response has come a bit late. In 2011 the Government decided to hike up taxation of the sector; we should have reverted to the previous situation straight away, rather than waited until 2015. We need to help certain sectors upstream, not when it is too late—that is important. It is the Government's job not to wait until jobs are being lost but to ensure that we provide the conditions, particularly in the context of taxation, in which companies can grow and prosper.

**Lewis Macdonald:** In a sense, Mr Allard has made my point. If many of the job losses and redundancies that are affecting people in the North Sea sector were predictable, as he suggests, is that not all the more reason why PACE and Government agencies should have got in early to work with companies and with people who were facing redundancy, to reduce the economic impact?

**Christian Allard:** Action should have been taken earlier: it should have been taken in 2011. As I said, taxation is the area on which the Government can act. A resilience fund would be coming too late and is not what is needed.

As Mr Ingram said, if at some point a Labour Government decides to have a resilience fund, it should ensure that the money does not go to the wrong people. It might go to the employers, who deserve it the least, as opposed to going to help companies upstream when that is needed, at taxation level.

Members talked about other sectors, and it is important to understand that other sectors face problems. We face great skills shortages, not just

in Scotland but throughout the UK. From time to time, we may have the problem of people losing their jobs, but—as some of my colleagues talked about earlier—the most important thing is to make sure that we can upskill those workers, not only while they are working but when they lose their employment.

For example, with the recent growth of house building activity, Scotland's construction sector will expand steadily over the next five years and thousands of new tradespeople will be required to replace those who are retiring. We are an ageing population and a lot of people are going to retire in the next few years, so not only are there jobs available but plenty jobs are going to be available. It is very important that PACE recognises that. Of course, with SDS, it is well equipped to work on skills and to make sure that people have the proper skills to respond to the sectors that need those employees.

The farmers in rural Scotland are getting older and older. The average age of Scottish farmers is about 60 years old, and a large proportion of them have no successor in place, so it is very important that the Scottish Government deals with that issue, which it does through the Scotland rural development programme.

The fishing industry is also important. Next month, Aberdeenshire Council is launching a fisheries project, pending the development of a modern apprenticeship in maritime occupations. It is not only about providing new skills for our young people; as Mr Robertson said, it is also very important for people who change careers. We need to understand that we are in the 21st century, where people are not going to keep a job for life, so they need the skills to make sure that they can progress in different careers during their lives. Most of us have had other jobs before we came here. I myself had at least two or three jobs before I became a parliamentarian. It is very important that we have a skilled workforce.

The people who are part of PACE are working behind the scenes all year round on the issue—let us not forget that it is a partnership and it is doing that work. That is important. We need to have the facilities and the people to retrain and upskill our workforce, and that is what this Government is doing. That collaborative approach works well because this Government understands businesses and how they work. For example, the business rates relief package from this Government is making Scotland the best place to do business in the UK.

The Scottish Government's initiative in relation to responding to redundancy situations is strong and delivers for people when and where they need it the most. With this Government's business

support policies, businesses in Scotland keep on growing and thriving.

16:52

**Paul Martin (Glasgow Provan) (Lab):** I welcome the opportunity to speak in the debate. Like others, I recognise the good work of the PACE scheme, which helps people back into employment. However, it should go without saying that we should be looking at all the resources that are available to us in Scotland, whether that is through the Scottish Government, the Westminster Government or local authorities. We should all agree that, when people are faced with a redundancy situation, we should provide that expertise and support.

Touching on a point that Drew Smith raised, I note that, if someone is faced with the position of potential unemployment, they do not want to see us debating a congratulatory motion; they want us to improve the possibilities of gaining employment. That is what we should look at today.

In Glasgow, there have been a number of examples of companies serving redundancy notices on their employees. On Christmas day last year, nearly 2,500 workers at City Link received the news that the company was going into administration; 165 of those workers were based in Scotland, many of them in the east end of Glasgow.

One aspect that I do not think we have debated is the impact on the local economy of those redundancies. In the case of City Link, we have seen the negative impact on the local community, particularly in the east end. That is an aspect of PACE's work that I would welcome some feedback on from the minister. Of course we should consider how we support those who are faced with potential redundancy, but we also need to look at how we can support the local community, which faces many challenges during that process.

Another example relates to the Internacionale clothing retail group on the Queenslie industrial estate in my constituency. Last year, the management stopped operations and more than 40 jobs were lost. Desperate staff were told that they had no entitlements and no redundancy payments were offered. Were it not for the intervention of the Union of Shop, Distributive and Allied Workers, the plight of the workers would have been much worse. We should pay tribute to the important role that trade unions play in the partnership in ensuring that people receive advice.

In that case, 40 jobs were lost. I cannot recall PACE being involved. I would welcome some feedback from the minister on what the threshold

is for intervention by PACE. I say that to be constructive.

**Dennis Robertson:** Will the member join me in congratulating Stephen Boyd of the STUC on the work that he does? He has been working in partnership with the Government. At last February's conference, he was involved in the workshop on how to develop partnership working within and between the Government and local authorities.

**Paul Martin:** Dennis Robertson makes a good point. It should be recognised that the trade unions require significant resources to play the role that they play. To ensure that that partnership can continue, perhaps the Government could consider what resources it could provide to the unions to ensure that they can continue to perform that supportive role. I expect the minister to address that issue in his closing speech, too.

Many members have spoken about the prevention of potential redundancies. Adam Ingram talked about the situation that USC employees found themselves in and made some powerful points. He mentioned Mike Ashley. There are many other individuals and companies that look at the opportunities that are available to them to play the system. I am not referring only to the tax system; there are many aspects of current law in relation to which such people play the system. They call themselves employers and investors, but I think that they should hang their heads in shame, given some of the practices that they have engaged in. They reinvent themselves almost on a daily basis in an effort to identify further asset-stripping opportunities.

Whether through the Scottish Government, the Westminster Government or local government, we should intervene in such situations to provide support to the affected employees. At every opportunity, we should highlight the practices of such individuals, who should hang their heads in shame, and we should consider what action we can take in that respect.

The debate has been important in highlighting some of the challenges that people face every day. Drew Smith made that point very well. We should not just congratulate ourselves on everything that we have done so far; we should take it as read that resources and support should always be available to people who find themselves in such a position. I am talking about not just the individuals who face redundancy but the communities that face challenges as a result of companies going into administration.

**The Presiding Officer (Tricia Marwick):** Before I call Linda Fabiani, I point out that she is the final speaker in the open debate. I note that a number of members who took part in the open

debate are not in the chamber, and I expect them to be here by the time we come to the closing speeches.

16:59

**Linda Fabiani (East Kilbride) (SNP):** It has been a really interesting debate, to which many members have contributed. Paul Martin summed it up when he said that when events such as redundancies—whether on a large scale or a small scale—happen, they do not affect only the workers concerned; they affect their families and the wider community. Sometimes, entire communities can be devastated. That is why it is so important that partnership action for continuing employment exists. The fact that it involves partnership action and includes everyone is extremely important.

There is really nothing at all in the Government motion that I would take issue with. However, I was interested in Mark McDonald's point, which my colleague Dennis Robertson spoke about further. Early intervention is fine, and of course we need it, but sometimes we can end up with self-fulfilling prophecies if we are seen to be talking too quickly about things such as work coming to an end and redundancies. I worked in the construction trade for a while, where we very often saw that happen when the rumour mill about things going wrong started.

**Drew Smith:** A number of members have made that point, and I understand where they are coming from, but surely employers who know that they may be putting their employees at risk of redundancy have a duty to engage with services, to approach the Government and to make it clear that action should be put in place to minimise the risk for those individuals.

**Linda Fabiani:** Absolutely. There is nothing in that statement that I can disagree with. Perhaps that is why the STUC was so disappointed when the Smith commission report came out followed by the draft clauses. Aspects of employment law at least could have been transferred to Scotland so that we could work with trade unions and be a beacon for the rest of the UK in how employment law should be operated. I would like to see that happen. I would like true partnership working.

We have already established a fair work convention. It is important to work for people's rights with trade unions. We should consider what is happening at Westminster. The UK Government is trying to end check-off facilities and is reducing trade union facility time. We should be standing against the UK Government in Scotland. One way in which we can do that is by saying, "Give us the powers. We'll take them and work for the good of people generally." That is what I would like to see.

I have looked at the Labour Party's amendment and, even having listened to Lewis Macdonald, I am not quite sure why it felt the need to lodge such an amendment. It says that

"PACE was originally created with a remit to ensure the early identification of company or sector difficulties",

which is happening. PACE also undertakes partnership working all the time. However, the bit of the amendment that really intrigued me was the bit about

"the establishment of a resilience fund".

Murdo Fraser mentioned that and said, I think, that he would not say whether he agrees with having a resilience fund until he heard what it would be for. I do not mind admitting that I am even more confused by the Labour group than Murdo Fraser is.

Siobhan McMahon will close the debate for Labour, I think, so I want to know whether that is the same resilience fund that will help the health service, local government and the oil industry. Will we have resilience funds for every single sector in Scotland, or will we simply have a resilience fund every time that a headline is wanted in a national paper? I would appreciate a response to that question.

When the minister was talking about helping businesses before the crunch point, he said an interesting thing about the ability to have HMRC, for example, on board and to defer payments. Constituency MSPs very often get calls from businesses—generally, small businesses—that have issues around that. It is good that the PACE team can help with that.

The minister asked for suggestions. I sometimes find it quite frustrating when a sole trader or a very small business hits a trough. There should be a joined-up approach, with the benefits system, for example, being able to kick in to help people over a bad time. They can be considered and payments can be made up later. What is the point of making people unemployed and putting them on benefits if the business will pick up again maybe six or eight weeks down the line? Sometimes businesses end up going out of business because there is not joined-up thinking right across sectors.

Margaret McCulloch made a very good speech in which she talked about how PACE had helped in East Kilbride. When Freescale went down, the local college certainly worked with the PACE team to help with that. She also mentioned Rolls-Royce. We have issues about people leaving and relocating from East Kilbride, and an East Kilbride task force was set up, headed up by South Lanarkshire Council. However, despite letters from the then cabinet secretary back in July about the council engaging more with elected

representatives, seven months on, nothing has happened.

I ask the minister to agree to look into the East Kilbride task force to see what is happening and perhaps to suggest to the local authority that we should be working in partnership—all working together for the good of the community.

**The Presiding Officer:** We move to the closing speeches. Before I call Alex Johnstone, I note that Chic Brodie, who contributed to the debate, is not back in the chamber—[*Interruption.*] I am sorry—he is. My apologies, Mr Brodie. How could I possibly have missed you?

17:05

**Alex Johnstone (North East Scotland) (Con):** I am delighted that Chic Brodie is back in the chamber. I am going to mention him, and it would have been lost had he not been here.

Members will have observed that there is no Conservative amendment for the debate. They should not be surprised about that, because on this issue, as on many others, if we can keep the whole issue of Scottish independence off the agenda, I find myself more or less in agreement with the minister.

At the beginning of the debate, we heard from Murdo Fraser, who pointed out that Scotland's economy is strong. Like the rest of the UK, we are seeing improvements in the number of people in employment and reductions in unemployment, and we are beginning to see wages rise once again. It is against that backdrop that we have the unusual position that we are in at the moment.

When we debated independence, I and many others in this Parliament took the position that we were opposed to separation because of the risk of shocks to key sectors. Little did we know that a shock to a key sector was coming soon after the referendum. The slowdown in the oil and gas industry, driven by the reduction in prices, has demonstrated the risk that we face.

The North Sea oil and gas industry, based in Aberdeen, finds itself in a doubly unusual position, in that many of those who are employed by companies in that area now operate outside the North Sea sector, and we may find that the periodic shocks that go through the industry come at different times in different areas.

**Christian Allard:** To a certain extent, the member has said that we are better together when the shock happens. Can he tell us what the Westminster Government has done? So far, it has done nothing. We are waiting for the chancellor to take the decision. He needs to take it, and he needs to take it now.

**Alex Johnstone:** The UK Government has been cutting taxes since it came to power in 2010. It has ensured that we have passed through a period in which, to the surprise of many, there have been record levels of investment in the North Sea. What the UK Government is doing today is ensuring that public expenditure in Scotland remains consistent year on year at a time when, if we were reliant on oil revenues, that simply would not be possible.

Let me go on and talk a bit about partnership action for continuing employment—the subject of the debate. The reason why we will support the Government motion tonight is that we agree with the Government that PACE provides a good service, that it is well regarded and that it is improving its expertise over time. The work that is done by Margaret Sutor and her 18 teams across Scotland has demonstrated itself to be effective, and PACE improves in its effectiveness as it understands better the marketplace in which it operates.

However, that marketplace changes, and it changes regularly. This is where I mention Chic Brodie, who came up with an oxymoron when he said that change is a constant. That is an excellent example of the practice, and I agree with him: the only constant is that we are in perpetual change. That was unlike the speech by Drew Smith, which at one point seemed to deteriorate into a demand that no one should ever be made redundant. Perhaps under his leadership we would have seen a long-term result that kept our coal industry, our steel industry and our shipbuilding industry, and today we would have been able to walk across the Clyde on unsold ships. Nevertheless, change is a constant, which is why we need an organisation such as PACE to assist where change requires to be managed.

We heard at some length from Margaret McCulloch, in an excellent and highly relevant speech, about her own experience with the Jeyes plant, which demonstrated one of the positive aspects of such a situation. There have been positives over the years—for example, in the work that was done with Hall's of Broxburn and more recently with City Link.

Adam Ingram's speech was very constructive. He spoke about the Johnnie Walker plant in Kilmarnock and how work was carried out successfully to ensure the minimum number of redundancies when the bottling plant closed. However, he also told us some horror stories. He spoke about the companies that were involved in the opencast coal mining industry and how they exited at very short notice, and he recounted the story of the USC plant at Dundonald and the associated horror stories.

We have heard no shortage of examples of how PACE has worked constructively with employers to minimise the impact of closures and downsizing. However, we have also heard about companies that did not take the opportunity to avail themselves of the service.

Members have suggested that early intervention is the answer. We all know that early intervention is extremely important but, as Mark McDonald said, we cannot see every job as a potential redundancy. If we go about thinking that every job is a redundancy that has not happened yet, we could undermine the marketplace, which—as I said at the outset—is growing and improving, creating jobs and reducing unemployment month on month.

PACE is providing a great deal of expertise, and improving that expertise over time. At present, it appears to be adequately funded, which calls into question the Labour Party's demand in its amendment for the introduction of a resilience fund. For that reason, we will support the Government's motion at decision time.

17:12

**Siobhan McMahon (Central Scotland) (Lab):** This afternoon's debate has been useful. I am pleased that the Government wishes to draw the work of PACE to the attention of members today. We normally mention PACE in written or oral questions. When a member questions the Government ministers—or indeed the First Minister—on the support that is being offered to constituents who are being made redundant, the response will inevitably mention PACE.

As we have heard this afternoon, PACE was established in 2000 and was originally intended to play a role in preventing closures and redundancies as well as in dealing with the consequences. For far too long, however, the focus has been shifting from prevention to mitigation, which is regrettable.

If the role of PACE in prevention has been or is being replaced by another agency, that would be one thing. I do not think that any of us would have a problem with having one strategy that involves prevention and another strategy for mitigation. However, as we have heard this afternoon, that is not the case. Unfortunately, the Government has concentrated its efforts on mitigation, and the results are not always what we would wish them to be.

**Mark McDonald:** I am not clear that the Government has implied—and nor has any member who has spoken in the debate—that that is the case. No business in my constituency that has interacted with PACE has suggested that it has not received appropriate support either as an

early intervention or at the redundancy stage, so I am curious to know where Siobhan McMahon drew that implication from.

**Siobhan McMahon:** I do not know whether the member was in the chamber for Paul Martin's speech. He noted that if intervention had taken place with one of the businesses in his constituency, the outcome might have been different. That is one example.

I would be interested to know what role PACE has played in seeking to prevent recent closures and redundancies, and how successful it has been in that role.

At the PACE summit in 2009, which was entitled "Working Together to Address Redundancies: Partnership, Prevention and Programmes", there was a ministerial commitment on the need for PACE to become a proactive force for the anticipation and prevention of company closures and redundancies. Is that still the case?

I will also be interested to know when the next PACE summit will be held, and what issues the minister believes will be addressed there. Delegates at the previous summit agreed that a proactive approach to help people from work to work produced more positive results. In order to support that approach, retraining and upskilling need to happen earlier in workplaces, prior to redundancies taking place. It is now six years since the summit took place, so will the minister, when he sums up, tell the chamber what progress has been made?

In the PACE client experience survey of 2014, which was commissioned by Skills Development Scotland and the Scottish Government, there was little mention of the prevention strategy that was spoken so highly of during the 2009 summit by the then Cabinet Secretary for Education and Lifelong Learning, Fiona Hyslop. In fact, the findings of the report were quite concerning. For instance, the survey found that more than one fifth of those who had received a career guidance interview or information about training and funding sources expressed concern that it had come too late.

That was not a new finding, as the same thing had been found in the 2012 client experience survey. It is concerning not only that the same problems are being experienced by those using PACE two years on from when the original problem was identified but that the problem is getting worse and not better. The report states:

"The PACE Presentation and Guide is received by the largest proportion of clients and often represents the first contact that an individual has with PACE. Around one quarter of new clients who attended the presentation felt that this had come too late in the redundancy process".

Twenty-three per cent of respondents reported that that was the case, which was an increase



from 2012, when 17 per cent of those attending expressed that view.

The report does not shine a light on anything new and, in fact, clearly reinforces the point about prevention—a point first brought to the Government's attention in 2009—and about the greater need for it in workplaces that are at risk of redundancies, which begs the question: what is the Government doing about the matter?

The Government may say that there is only so much that it can do to make the PACE model work. I accept that up to a point. I fully accept that, in order for the Government to have control over prevention, it needs the help of employers. The minister made that point in his opening speech and it was reinforced by Adam Ingram. In order for it to work, the model that we are currently working with requires employers to notify agencies prior to the announcement of redundancies. Given that that rarely happens, I have to ask whether the Scottish Government's aspiration for PACE is simply one of helping people into new jobs. If not, what is the Government doing to change either its model or its interaction with employers?

In addition to that flaw in the current model, the 2014 client survey also provided further worrying data. For example, only 45 per cent said that PACE had had some influence on their move back into employment, and only 8 per cent stated that it had "made all the difference". Not only does that mark a fall from 2012, when the figure was 53 per cent, but it is extremely concerning that less than half of clients think that PACE has had an impact on them getting a new job. In fact, the survey found that the top answer from respondents, when asked their views on the benefits of PACE services, was "Don't know", at 20 per cent. The third most popular answer was "No benefit", from 15 per cent of respondents. If PACE's main objective is to secure future employment or training opportunities for people, it seems to be failing those that it seeks to serve.

The good news from the survey was that around three quarters of clients had secured some form of employment. However, although that figure is to be welcomed, what we do not know from it is what direct role PACE had in helping to secure that employment. Did the PACE team set up the interviews, inform the client of the interviews, help to write clients' CVs and give them interview tips, or was the job found by the client themselves or through a different agency? We do not have the statistics to answer that, but it is something that should be reported in such a survey.

In fact, that was called for in the evaluation document, commissioned by SDS, following the PACE support offered to the former employees at Hall's of Broxburn. In the recommendations at the end of the document, it said that it was worth

"Exploring whether or not it is possible to establish a client tracking to capture outputs".

There are a number of options there, including undertaking a survey of redundant workers and using HMRC data. I would be interested to know whether the Government has considered developing such a model since that recommendation.

As we have heard from Liam McArthur and Margaret McCulloch, the client survey has shown that two fifths of clients moved into a job with lower skill requirements than their previous position. That represents a decrease from the 47 per cent that was reported in 2012. That is good news, although it is disappointing to note that it still occurs in such high numbers. It would therefore be interesting to know what steps PACE and its partners have taken to address that.

The 2014 survey contained information in relation to the way in which clients received information. It was found that one in eight people, 12 per cent, had accessed online PACE support and only one in 20, 6 per cent, had accessed the PACE contact centre helpline. It is clear that more must be done to promote the services to users, and I would be interested to know whether an ad campaign or something similar will be run to promote such services in the future.

I feel that I should conclude my speech with the main asks from respondents to the survey. They have suggested some improvements to the current system, and I hope that those can be achieved for future service users. The recommendations are for a more personalised service; for longer and more frequent help sessions; and for a more timely point of intervention, with interactions starting earlier in the redundancy process. Scottish Labour has its own recommendation, which we have put to the Scottish Government: the resilience fund. We believe that the fund would provide an additional tool for local authorities and their partners, which would help local economies that are threatened by a jobs crisis. The examples that were given by Margaret McCulloch and Paul Martin, and Drew Smith's comments on the issue of continuity of work, show that the fund could help in those circumstances in partnership with what is already on offer.

The debate has been an important one that leaves us with many questions about PACE and the support that is on offer. I hope that the minister will be able to answer some of those in his summing-up speech.

17:21

**Fergus Ewing:** I am grateful to members for making this a constructive debate. We have had

several thoughtful and informative speeches from all parties in the chamber, for which I record my thanks.

I repeat what I said at the start of my opening speech: for a great many people, the experience of redundancy is one of the worst that life has to offer. It has horrendous financial consequences, but perhaps even worse are the emotional, human and mental consequences that redundancy can cause families, especially if the sole breadwinner suffers redundancy. That can put enormous strain on individuals and families. Although that is obvious, it is easy to lose sight of in the maelstrom of points that we have made about how we can tackle redundancies together. Therefore, the starting point and the central point must be the perspective of people who have been made redundant.

Adam Ingram mentioned that he had been made redundant twice. Perhaps those of us in the chamber who have been fortunate enough not to have suffered that experience are the exceptions. Nevertheless, I know from members of my own family that it is a very difficult experience. Therefore, it behoves us very well to respond as well and efficiently as we can, using taxpayers' money as efficiently as we can.

Liam McArthur hinted that there is an element of self-congratulation in the tone of the motion. If that is the case, I am entirely responsible for it, although it was not something that I intended to convey. There is nothing more off-putting to the public than politicians congratulating themselves on achievements real or imaginary. However, that has not been the spirit of the debate, which has been very much as Mr McArthur said: it is for me to learn from the speeches that have been made today what further improvements can be made. I undertake that I, Margaret Sutor and other officials in the Scottish Government and Scottish Enterprise will reflect seriously on the speeches that have been made today. They have been many and varied, so I probably will not have time to comment on them all.

**Liam McArthur:** I am grateful to the minister for what he has said at the start of his closing speech. As the description that he has given of the impact of redundancy shows, it matters little whether it is a large-scale or small-scale redundancy—the impact on the breadwinner and the immediate family can be equally severe. Is there a minimum threshold below which PACE cannot operate? The minister will appreciate that, in communities such as mine, a relatively small absolute number of job losses can have a pretty devastating effect on the economy and the community.

**Fergus Ewing:** Paul Martin raised exactly the same point. There is no threshold—PACE is

available to everybody, including when only one person has been laid off.

That leads me to an area in which we can make improvements, which Murdo Fraser touched on. In order for PACE to be able to reach out and assist people who have been made redundant, it needs to know about redundancies. If it is not made aware of them, it is, by definition, unable to offer help. Help may not always be sought, as many people will find alternative employment or opportunities themselves. Many people actually prefer to do that, but a large number do not and perhaps do not get that help at the moment.

Therefore, Mr Fraser was right to suggest that we make more use of business representative bodies and perhaps trade representative bodies, which might have a closer relationship with their membership than general organisations such as the Scottish Chambers of Commerce, the Federation of Small Businesses, the Institute of Directors and the Confederation of British Industry. We need to reach out to them further. Two of those bodies, the FSB and the Scottish Chambers of Commerce, are among the 21 PACE partners. Incidentally, I hold meetings of the partners roughly biannually to discuss how we can make practical improvements. I should say to Mr Fraser that we already regularly ask the business bodies for their co-operation, and it is given fulsomely.

We need to reach out to small businesses and make them aware of the initiative. We all have a duty in that regard. This is normally your terrain, Presiding Officer, but I counted about 22 members in the chamber during the debate and I think that almost every one of them has at some point been in contact with my office about redundancies in their constituency—I could not identify anyone who had not been. The issue affects all members and we are all able to inform businesses, especially small ones, that PACE exists, that it exists to help and that it exists to help everyone.

It is true that early notice to PACE can assist. For example, in my former constituency, when I represented Lochaber, there was a model process of closure—if there can be such a thing, and if that is not a contradiction—by British Alcan. When it decided to concentrate activities between Fort William and Kinlochleven, it embarked on a five-year plan and gave staff five years' notice. That was a model of investment in and consideration for staff in the light of a business decision that had serious consequences. Sadly, the other end of the spectrum was clearly and graphically described by Adam Ingram, in what I thought was perhaps the most interesting speech in the debate, when he described the quite appalling behaviour of Mr Mike Ashley of Sports Direct. Mr Ingram repeated a famous phrase that older members will remember from the 1970s when he said that Mr Ashley

“truly is the unacceptable face of capitalism”.

Mr Ingram’s speech was a reminder that, fortunately, there are relatively few cases such as that one. Almost all the cases that members bring to me are ones in which employers and insolvency practitioners are working together to try to do the best in a difficult situation. However, just occasionally, one is not like that, and that was described very well by Mr Ingram.

One topic that dominated in the debate was that of early intervention. I am afraid that here I must disagree with my colleagues in the Labour Party. I believe that there is an absolutely correct focus on early intervention, and moreover that the function is discharged extremely well by the enterprise network. I can give further details on that to members, but I know from my personal knowledge, and Mr Swinney, who is sitting beside me, knows from his more extensive knowledge, that day and daily a number of devoted public servants in the Scottish Enterprise, Highlands and Islands Enterprise and Scottish Development International enterprise network put in huge efforts to tackle very difficult situations.

The reality was highlighted by Mark McDonald, when he pointed out that some companies that face financial problems cannot make those issues public, otherwise their banking terms will change and their customers and creditors will react in a way that exacerbates those problems and perhaps even brings about the most difficult situation of insolvency, which the efforts are intended to solve. Rather than vague and generalised criticism of our public servants, which is not particularly helpful or productive, the better approach is to give suggestions of specific actions that we may take but are perhaps not doing, or actions that we may do more of.

I must draw to a close. I repeat my recognition, and Mr Swinney’s recognition, of the extraordinarily successful and well-intentioned efforts of the huge number of people, led by Margaret Sutor, in the PACE teams throughout the country. I know that they go the extra mile to try to help people in Scotland who face the appalling and harrowing situation of suddenly finding that their livelihood has been terminated and is at an end. Perhaps it is the human face of that effort that has resulted in the resounding vote of confidence from the vast majority of the people who have been recipients of the PACE service.

## Business Motion

17:30

**The Presiding Officer (Tricia Marwick):** The next item of business is consideration of business motion S4M-12164, in the name of Joe FitzPatrick, on behalf of the Parliamentary Bureau, setting out a revised business programme for the week.

*Motion moved,*

That the Parliament agrees to the following revisions to the programme of business for—

(a) Wednesday 28 January 2015

after

*followed by* Portfolio Questions  
Education and Lifelong Learning

insert

*followed by* Ministerial Statement: Unconventional  
Oil and Gas

delete

5.00 pm Decision Time

and insert

5.30 pm Decision Time

(b) Thursday 29 January 2015

after

*followed by* Stage 1 Debate: Community Charge  
Debt (Scotland) Bill

insert

*followed by* Financial Resolution: Community  
Charge Debt (Scotland) Bill—[Joe  
FitzPatrick.]

*Motion agreed to.*

## Decision Time

17:31

**The Presiding Officer (Tricia Marwick):** There are two questions to be put as a result of today's business.

The first question is, that amendment S4M-12154.1, in the name of Lewis Macdonald, which seeks to amend motion S4M-12154, in the name of Fergus Ewing, on partnership action for continuing employment, be agreed to. Are we agreed?

**Members:** No.

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

### For

Baillie, Jackie (Dumbarton) (Lab)  
 Baker, Claire (Mid Scotland and Fife) (Lab)  
 Baker, Richard (North East Scotland) (Lab)  
 Baxter, Jayne (Mid Scotland and Fife) (Lab)  
 Beamish, Claudia (South Scotland) (Lab)  
 Bibby, Neil (West Scotland) (Lab)  
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)  
 Fee, Mary (West Scotland) (Lab)  
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)  
 Findlay, Neil (Lothian) (Lab)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (East Lothian) (Lab)  
 Griffin, Mark (Central Scotland) (Lab)  
 Henry, Hugh (Renfrewshire South) (Lab)  
 Hilton, Cara (Dunfermline) (Lab)  
 Kelly, James (Rutherglen) (Lab)  
 Lamont, Johann (Glasgow Pollok) (Lab)  
 Macdonald, Lewis (North East Scotland) (Lab)  
 Macintosh, Ken (Eastwood) (Lab)  
 Marra, Jenny (North East Scotland) (Lab)  
 Martin, Paul (Glasgow Provan) (Lab)  
 McCulloch, Margaret (Central Scotland) (Lab)  
 McDougall, Margaret (West Scotland) (Lab)  
 McMahon, Michael (Uddingston and Bellshill) (Lab)  
 McMahon, Siobhan (Central Scotland) (Lab)  
 McNeil, Duncan (Greenock and Inverclyde) (Lab)  
 McTaggart, Anne (Glasgow) (Lab)  
 Murray, Elaine (Dumfriesshire) (Lab)  
 Pearson, Graeme (South Scotland) (Lab)  
 Pentland, John (Motherwell and Wishaw) (Lab)  
 Rowley, Alex (Cowdenbeath) (Lab)  
 Smith, Drew (Glasgow) (Lab)  
 Smith, Elaine (Coatbridge and Chryston) (Lab)  
 Stewart, David (Highlands and Islands) (Lab)

### Against

Adam, George (Paisley) (SNP)  
 Adamson, Clare (Central Scotland) (SNP)  
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)  
 Allard, Christian (North East Scotland) (SNP)  
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)  
 Biagi, Marco (Edinburgh Central) (SNP)  
 Brodie, Chic (South Scotland) (SNP)  
 Brown, Gavin (Lothian) (Con)  
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)  
 Buchanan, Cameron (Lothian) (Con)  
 Campbell, Roderick (North East Fife) (SNP)  
 Carlaw, Jackson (West Scotland) (Con)  
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)  
 Constance, Angela (Almond Valley) (SNP)

Crawford, Bruce (Stirling) (SNP)  
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)  
 Dey, Graeme (Angus South) (SNP)  
 Don, Nigel (Angus North and Mearns) (SNP)  
 Dornan, James (Glasgow Cathcart) (SNP)  
 Eadie, Jim (Edinburgh Southern) (SNP)  
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)  
 Ewing, Fergus (Inverness and Nairn) (SNP)  
 Fabiani, Linda (East Kilbride) (SNP)  
 Fergusson, Alex (Galloway and West Dumfries) (Con)  
 Finnie, John (Highlands and Islands) (Ind)  
 FitzPatrick, Joe (Dundee City West) (SNP)  
 Fraser, Murdo (Mid Scotland and Fife) (Con)  
 Gibson, Kenneth (Cunninghame North) (SNP)  
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)  
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)  
 Harvie, Patrick (Glasgow) (Green)  
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)  
 Hume, Jim (South Scotland) (LD)  
 Hyslop, Fiona (Linlithgow) (SNP)  
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)  
 Johnstone, Alex (North East Scotland) (Con)  
 Johnstone, Alison (Lothian) (Green)  
 Keir, Colin (Edinburgh Western) (SNP)  
 Kidd, Bill (Glasgow Anniesland) (SNP)  
 Lochhead, Richard (Moray) (SNP)  
 Lyle, Richard (Central Scotland) (SNP)  
 MacAskill, Kenny (Edinburgh Eastern) (SNP)  
 MacDonald, Angus (Falkirk East) (SNP)  
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)  
 Mackay, Derek (Renfrewshire North and West) (SNP)  
 MacKenzie, Mike (Highlands and Islands) (SNP)  
 Mason, John (Glasgow Shettleston) (SNP)  
 Matheson, Michael (Falkirk West) (SNP)  
 Maxwell, Stewart (West Scotland) (SNP)  
 McAlpine, Joan (South Scotland) (SNP)  
 McArthur, Liam (Orkney Islands) (LD)  
 McDonald, Mark (Aberdeen Donside) (SNP)  
 McGrigor, Jamie (Highlands and Islands) (Con)  
 McInnes, Alison (North East Scotland) (LD)  
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)  
 McLeod, Aileen (South Scotland) (SNP)  
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)  
 McMillan, Stuart (West Scotland) (SNP)  
 Milne, Nanette (North East Scotland) (Con)  
 Mitchell, Margaret (Central Scotland) (Con)  
 Neil, Alex (Airdrie and Shotts) (SNP)  
 Paterson, Gil (Clydebank and Milngavie) (SNP)  
 Rennie, Willie (Mid Scotland and Fife) (LD)  
 Robertson, Dennis (Aberdeenshire West) (SNP)  
 Robison, Shona (Dundee City East) (SNP)  
 Russell, Michael (Argyll and Bute) (SNP)  
 Scanlon, Mary (Highlands and Islands) (Con)  
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)  
 Stewart, Kevin (Aberdeen Central) (SNP)  
 Swinney, John (Perthshire North) (SNP)  
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)  
 Torrance, David (Kirkcaldy) (SNP)  
 Urquhart, Jean (Highlands and Islands) (Ind)  
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)  
 Wheelhouse, Paul (South Scotland) (SNP)  
 White, Sandra (Glasgow Kelvin) (SNP)  
 Wilson, John (Central Scotland) (Ind)  
 Yousaf, Humza (Glasgow) (SNP)

**The Presiding Officer:** The result of the division is: For 34, Against 78, Abstentions 0.

*Amendment disagreed to.*

**The Presiding Officer:** The next question is, that motion S4M-12154, in the name of Fergus Ewing, on partnership action for continuing employment, be agreed to.

*Motion agreed to,*

That the Parliament recognises that the Scottish Government's initiative for responding to redundancy situations, Partnership Action for Continuing Employment (PACE), with teams around Scotland, brings 21 organisations together with the Scottish Government; considers that it has performed well in its core function of helping those made redundant gain other employment or opportunities; notes that the most recent figures show that nearly three quarters of those who received PACE support went into employment, and urges the Scottish Government to continue to work with industry, workforce representatives and the third sector to provide the best possible and practicable assistance to those who have been made redundant and to spread awareness and knowledge of what PACE is and does.

**The Presiding Officer:** That concludes decision time. We now move to members' business. Members who are leaving the chamber should do so quickly and quietly.

## Holocaust Memorial Day 2015

**The Deputy Presiding Officer (Elaine Smith):** The final item of business is a members' business debate on motion S4M-11995, in the name of Stewart Maxwell, on Holocaust memorial day 2015. The debate will be concluded without any question being put.

*Motion debated,*

That the Parliament notes that 27 January 2015 marks Holocaust Memorial Day, the 70th anniversary of the liberation of Auschwitz-Birkenau and an opportunity for schools, colleges, faith groups and communities across Scotland to remember the six million men, women and children murdered by the Nazi regime in occupied Europe; acknowledges that this year marks perhaps the last significant anniversary that will be marked with the Holocaust in living memory; further notes that the theme of Holocaust Memorial Day 2015 is Keep the Memory Alive; values the Holocaust Educational Trust's Lessons from Auschwitz Project, which gives two post-16 students from every school and college in Scotland the opportunity to visit Auschwitz-Birkenau; applauds Lucy Paterson and Kieran Smyth, two students from St Andrew's RC Secondary in Glasgow, who took part in the project and will deliver the Parliament's Time for Reflection message on 27 January; celebrates the Holocaust survivors who have enriched Scotland as a nation, and recommit to ensuring that racism, sectarianism and bigotry are never allowed to go unchallenged in Scotland.

17:34

**Stewart Maxwell (West Scotland) (SNP):** On 27 January 1945, 70 years ago today, Soviet soldiers liberated Auschwitz-Birkenau, the largest concentration and extermination camp that the Nazi regime established.

As the red army approached, the Nazis began to evacuate the camp. They killed thousands and forced around another 60,000 prisoners to march out of the camp to move them further from the approaching Soviet forces. As many as 15,000 of those prisoners who were evacuated are estimated to have died as a result of the forced march and the privations that they suffered en route to other camps. As a result, only around 7,000 prisoners were left in Auschwitz when the red army arrived, and most of them were desperately ill or dying.

As well as moving the prisoners, the guards ordered the crematoria and gas chambers to be destroyed, in order to obliterate the evidence of the crimes that had been committed there. They wanted to wipe out the past. They wanted to hide the truth. They did that not only at Auschwitz-Birkenau but at other extermination camps. As recently as September of last year, it was reported that archaeologists believe that they have found the site of the gas chambers that were destroyed to hide the truth of what happened at Sobibór.

The Holocaust Memorial Day Trust has published a booklet for Holocaust memorial day this year, listing the path to genocide, and there are eight steps. Step eight is denial: the perpetrators or later generations deny the existence of any crime.

On 20 January 1942, the Wannsee conference met to discuss the final solution—the plans to eliminate the Jews. One copy of the Wannsee protocol—the minutes of the Wannsee conference—survived the war. Here is a portion of the translated minutes:

“Under proper guidance, in the course of the final solution the Jews are to be allocated for appropriate labor in the East. Able-bodied Jews, separated according to sex, will be taken in large work columns to these areas for work on roads, in the course of which action doubtless a large portion will be eliminated by natural causes.

The possible final remnant will, since it will undoubtedly consist of the most resistant portion, have to be treated accordingly, because it is the product of natural selection and would, if released, act as a the seed of a new Jewish revival (see the experience of history.)”

The translation from which I have just read is the English text, based on the original German language version of the Wannsee protocol, from the official United States Government translation prepared for evidence in trials at Nuremberg. There can be no doubt about the chilling meaning of the words that I have quoted.

The theme of this year’s Holocaust memorial day is “keep the memory alive”. That is very pertinent indeed, as those who survived the Holocaust are now old. In a few years, the generation that suffered under the Nazi regime will have passed into history and there will be no one alive to say, “I saw this. I was there. This really happened.” It will be much easier to deny the Holocaust when there are no eye-witnesses left.

A Spanish American called George Santayana famously said:

“Those who cannot remember the past are condemned to repeat it.”

It is vital that we never forget the atrocities that took place in the heart of Europe during the 20th century.

Today, on the 70th anniversary of the very day on which Auschwitz-Birkenau was liberated, I believe that we should take George Santayana’s warning seriously. I fear that we are in grave danger of forgetting the past. In Europe, I am sorry to say, anti-Semitism is on the rise again. We are all only too well aware of the horrific events in Paris earlier this month, in which 17 people were murdered—11 journalists, two police officers and four people shopping in a kosher supermarket.

In July 2014, eight synagogues in France were attacked. Indeed, one in Sarcelles was firebombed

by a mob said to be 400 strong. In Germany, Molotov cocktails were thrown into the Bergische synagogue in Wuppertal, which had previously been destroyed during Kristallnacht. In May 2014, in Brussels, four people were murdered at the Jewish museum. In Toulouse, in 2012, three children and a teacher were murdered at a Jewish school, a few days after the same gunman had murdered three French soldiers.

Of course, those were attacks by murderous individuals, not organised campaigns by a Government, and they were universally condemned across Europe. However, in November 2012, a member of the Hungarian Parliament, a Jobbik MP, said that officials of Jewish origin should be listed because they might be a “national security risk”. He was, I am glad to say, condemned roundly, but these are worrying times.

Here in Scotland, thankfully, there have been no such terrible incidents as those that I have listed from the continent, but there is no room for complacency. In August 2013, the Scottish Council of Jewish Communities issued a report, “Being Jewish in Scotland”, which was produced with Scottish Government funding. The report found that the experience of Jewish people living in Scotland is largely positive, which is good news. It also found, however, that there is some anti-Semitism that continues to create a sense of insecurity.

In answers to written questions that I lodged, the Scottish Government has indicated that, in 2011-12, recorded religious hate crimes against Judaism were running at 2.2 charges per 1,000 members of the Jewish community, and that, in 2012-13, recorded religious hate crimes against Judaism were—I am sorry to say—running at 4.19 charges per 1,000 members of the Jewish community. That is almost double.

In the three months between August 2014 and the start of November, more than 50 anti-Semitic incidents were reported to the Scottish police, which exceeded the total for the previous three years. The Scottish Government has responded to the sudden rise in anti-Semitic incidents in a most positive manner, by funding a short-term survey, to be entitled “How being Jewish in Scotland has changed”, which will report at the end of March.

Only last week, the First Minister stated in the chamber:

“Tackling anti-Semitism is a key priority for the Scottish Government ... The Jewish community in Scotland plays a massive role in this country and makes a massive contribution. We are proud of that, and we should all stand shoulder to shoulder with it at this time.” —[*Official Report*, 22 January 2015; c 18-19.]

I echo the First Minister's words. It is vital that we in Scotland stand together, that we do not isolate any member of our Scottish community and that we value the contribution that all of us make to Scotland, because for hatred to succeed, it must isolate the people who are the object of hatred and separate them from the rest of the community. We must always remember, but not quietly. We must state loudly and clearly that the Holocaust happened, so that we stop those who would attempt to wipe all record of it from the history books.

We must never, ever forget the past, and I commend the work of the Holocaust Educational Trust for keeping the memory alive.

**The Deputy Presiding Officer:** Many thanks.

Before we move to the open debate, I advise members that, due to the number of members who have indicated that they would like to speak, I am minded to accept a motion, under rule 8.14.3, to extend the debate by up to 30 minutes. I invite Stewart Maxwell to move such a motion.

*Motion moved,*

That, under Rule 8.14.3, the debate be extended by up to 30 minutes.—[*Stewart Maxwell.*]

*Motion agreed to.*

17:41

**Ken Macintosh (Eastwood) (Lab):** I thank Stewart Maxwell for lodging today's motion and for giving Parliament an opportunity to commemorate, and to reflect once more on, the events of the Holocaust. It is a full 70 years since the liberation of Auschwitz, yet each year the power of those events—the horror of our capacity for evil, interspersed with all-too-occasional glimpses of humanity—makes me think afresh.

Each year Holocaust memorial day fills me with questions and with hope and anxiety in equal measure about whether we have learned our lessons. This year has been no exception, when I heard again the stories of Bob Kutner and Henry and Ingrid Wuga—Holocaust survivors who made their homes and have brought up their families here in Scotland. Listening to Bob talk to a group of senior pupils at one of his local schools last week, I was struck this time not so much by the scars that he must bear—for the family whom he lost or the damage that was wrought on his life when he was a barely a teenager himself—but by his warmth, hope and lack of bitterness.

In a similar vein, last week there was a fascinating documentary on television, specifically on the scenes that were filmed following the Russians' liberation of Auschwitz. This time the contrast with the shocking brutality was a dated and frankly rather sexist commentary about

powers of recovery. According to the voice-over, within three weeks of liberation many women from the camp were rejuvenated to the point of worrying over their hairstyles and choice of clothes. As I said, the commentary was very much of its time, but the point that really struck home was the resilience of the survivors.

Each year when we mark the Holocaust, the story of those events gives me a fresh perspective, and this year that seems to be about the hope that survives our despair. Yet another example of exactly that is the story of Jane Haining, the Scottish missionary who ended up dying in Auschwitz because she refused to leave her Jewish pupils in Budapest. Like me, members will have been able to see the documentary that was shown in East Renfrewshire last night. It was a powerful and moving film: Jane's quiet and unassuming heroism provided a welcome counterbalance to the fatalism and powerlessness that the Holocaust can often evoke.

At a time when our communities are under strain from growing inequality and continuing injustice, which are often expressed in terms of prejudice and hate, and when we face yet another rise in anti-Semitism, as Stewart Maxwell accurately described, it has never been more important to continue to learn the lessons of the Holocaust.

I am aware, as I am sure everyone in the chamber is, that soon there will be no survivors to share their memories directly with us. It is up to us, and to the young Holocaust ambassadors who spoke so eloquently at time for reflection today in addressing Parliament, to keep those memories alive. There is so much that we still have to learn. I do not believe that we could pay a greater tribute to the sacrifice of so many than to show that we remain willing learners.

17:45

**Kenneth Gibson (Cunninghame North) (SNP):** I thank Stewart Maxwell for lodging the motion and for securing debating time on this important day—the 70th anniversary of Soviet troops' liberation of Auschwitz-Birkenau and their discovery of a vast factory of death with all the horrors of mass extermination, slave labour and medical experimentation.

Our remembering man's inhumanity to man at its most extreme presents an opportunity for us to educate communities throughout Scotland about the tragedies that occurred in occupied Europe, which saw 12 million men, women and children die at the hands of the Nazi regime—half of them were Jewish and they died simply for being Jewish.

In 1933, the Jewish population of Germany stood at 600,000—less than 1 per cent of the total population. However, the Jewish population around Europe numbered more than 10 million in countries that were later occupied in whole, or in part, by the Nazis.

Once in power, Hitler staged an economic boycott of Jewish-owned shops and businesses. Jews were removed from their employment and professions, which made their lives increasingly unbearable. Many Jews tried to emigrate, if they could find a country to take them. Few would do so. France, the Netherlands and Romania all set up camps to intern Jews who were fleeing Nazi rule. Even the Kindertransport, which allowed Jewish children to come to Britain, left their parents to an unknown fate.

Jews were targeted early in the war. German officials confiscated Jewish property and required Jews to wear identifying arm bands. Local collaborators often assisted the Nazis by robbing and persecuting Jews, although one should remember the more than 25,000 righteous Gentiles who risked their lives to help Jewish friends, neighbours and even strangers.

The euphemistic term “the final solution” was used to refer to the annihilation—the genocide—of the Jewish people. In 1941, after the German invasion of the Soviet Union, mobile SS and police killing squads massacred Jewish communities either immediately or soon after deporting them to ghettos.

Operation Reinhard established “killing centres” in Poland at Chelmno, Belzec, Sobibór and Treblinka, for the sole purpose of murdering Jews—men, women and children. In those centres, of the 1.7 million Jews who arrived only 106 are known to have survived the war.

Auschwitz-Birkenau subsequently became the main centre for destroying the Jewish people. Around 1 million Jews of many nationalities were transported from across Europe to be either killed upon arrival—a certainty for the old, young and sick—or worked to death on minuscule rations. About 100,000 others were also killed—mostly Roma, Poles or Soviet prisoners of war.

Towards the final months of the war, as the red army advanced, inmates were sent either by train or on foot on death marches—forced to trek across the chaos of a collapsing Nazi regime in order to prevent their liberation. The few thousand who were left at Auschwitz were to be murdered, but the rapid Soviet advance prompted the SS to flee to save their own skins.

As Stewart Maxwell and Ken Macintosh both pointed out, this year might be the last significant anniversary that will be marked by Holocaust survivors, given their rapidly advancing age and

infirmity. In years to come, we must remember for them.

Of course the Jews were not the first people to face genocide in the 20th century. “Who remembers the Armenians?”, Hitler said of the people who were murdered in 1915 in the dying days of the Ottoman empire. At least 1.3 million people—more than half the world’s Armenian population at that time—were killed. Modern independent Armenia, where many of the survivors fled to, is but a tenth of the size of historical Armenia.

In 1945 there was a determination to prevent something as dreadfully unique as the industrialised slaughter that was the Holocaust from ever happening again, yet there have been other genocides, in Rwanda and Cambodia. Through Islamic State, the Yazidi culture is threatened with extinction now.

Perhaps we will never live in a world without such horrors, but whenever and wherever possible we must fight against the inhumanity and intolerance that the Holocaust reminds us is so much part of our human story. Holocaust memorial day makes it clear why we must do so.

17:49

**Jackson Carlaw (West Scotland) (Con):** Today, Holocaust memorial day, 27 January 2015, marks the 70th anniversary of the liberation of the Auschwitz-Birkenau death camp in which one and a quarter million souls from across Europe perished: young and old, male and female, Jew and Gentile, were murdered without compunction by a barbarous Nazi tyranny.

Last Saturday evening, among many commemorative programmes on television and radio was Channel 4’s broadcast of an extraordinary documentary called “Holocaust: Night Will Fall”, which tells the story of the film makers who filmed, in the immediate aftermath of the war, the liberation of the various death camps. It is a film that had been suppressed until now, because geopolitical tides shifted after the war and it was felt at the time that it would be inappropriate and inconvenient for the film to be seen.

I learned fresh information from the film—for example, I did not know that much of the footage that we now see of Auschwitz was filmed some time after its liberation. However, that is not the case for the film of the British liberation of Bergen-Belsen. Despite everything that I have seen over the years, I was stupefied all over again by seeing stuff that I had never thought possible and that had never previously been screened. That film is going to be released later this year in cinemas and on DVD. To touch on something that Stewart Maxwell said, because the denial business was



already well established at the end of the war, the British contingent insisted that local people were filmed witnessing the events so that they could not subsequently deny what had been seen.

The Jewish community in East Renfrewshire, where I live and grew up, is of long standing. In his magnificent biographical trilogy, which commenced in 1986 with the publication of "Growing Up in the Gorbals", Ralph Glasser memorably traced the arrival and integration of Scotland's Jewish community in and around Glasgow over a century ago. As the community migrated south to Newton Mearns in the post-war years, members of it became my neighbours and friends. I learned very little from them about the horrors that had been endured, although many of them had survived or had lost family as the European genocide unfolded. What I did not know was that they kept silent about that not just with neighbours and friends but within their own families. They did so in many cases because the horror of what they had endured had been so great but—horribly—they also did so out of shame that they had survived, and because they were unable to come to terms with that fact or discuss it.

Unfortunately, it is also true that in the post-war years in Britain anti-Semitism persisted in ignorance. Two landmark television programmes in 1973 together transformed public understanding—certainly my understanding—of the issue. They were Jeremy Isaacs's 26-part "The World at War"; and the outstanding "The Ascent of Man", which was presented by Dr Jacob Bronowski. I can vividly remember Dr Bronowski's testimony as he stood ankle deep in water—in his mind, it was water that was mingled with the ashes of his people—in the ruins of Auschwitz-Birkenau, intensely moved and speaking directly to the camera. That footage is readily available on YouTube. I watched it again recently, and it is as powerful now as it was over 40 years ago. If members have not seen it, please look at it and perhaps also at the remarkable interview that Dr Bronowski gave, just before he died, to Michael Parkinson.

Like others, I have visited Auschwitz-Birkenau. I did so privately a few years ago. It is a desolate place, and I visited it at the bleakest time of the year. My guide was the grandson of a local Oświęcim family. He was full of compassion—to be a guide on that site he had to be. As a father, I looked at the photographs of small children skipping with joy and relief after leaving the confines of a long train journey. What father has not been in that position with his children?. But to know that they were skipping, holding hands and smiling, along a short path to their execution made that as chilling and moving an image as any.

It is an uncomfortable truth that is simply not admitted enough that much of occupied Europe was complicit in sending the Jews to their deaths. Any cursory study demonstrates that the defence of ignorance is shallow, but it suits precious sensibilities that that fiction be maintained. Far too many people in occupied or Axis Europe knew exactly what was going on and far too few raised a hand to stop it.

In this country, we were never called upon by an invading Nazi machine to be complicit; we resisted invasion and helped to win the war. However, I believe that all our island character and history would have seen individuals and communities stand and resist. In the event, only two Britons, from the occupied Channel Islands, were shipped under cover of darkness and transported by sea and train across a continent to Auschwitz, to be murdered at their journey's end. What madness was that? Yet 70 years later, as was evidenced horribly in Paris a fortnight ago, anti-Semitism is finding a voice again. It must be confronted, challenged and defeated.

Auschwitz was liberated 70 years ago, and 50 years ago Churchill died. I will end with a quotation from him:

"Never give in, never give in, never, never, never—in nothing great or small, large or petty—never give in except to convictions of honour and good sense. Never yield to force; never yield to the apparently overwhelming might of the enemy."

Britain did not yield 70 years ago, and 70 years on Scotland will not.

17:54

**Graeme Dey (Angus South) (SNP):** I congratulate Stewart Maxwell on securing the opportunity to reflect on the Holocaust. I apologise that, owing to the extension to business, I may have to leave the chamber before the debate concludes.

Auschwitz-Birkenau was liberated 70 years ago today, and genocide was deemed to be a crime under international law in 1946. Both happened a long time ago. In a world with an ever-changing and evolving nature that is at times breathtaking, it is somehow reassuring that the Holocaust still resonates, particularly among those who were born two or perhaps even three generations later. It is so important that we remember the atrocities perpetrated by the Nazis—not only those involving the 6 million Jews who were murdered but the 5 million others. Gay people, Gypsies, priests, people with physical or mental disabilities, communists, trade unionists, resistance fighters, Jehovah's Witnesses, anarchists, Poles and other Slavic people were all sent to the concentration camps.

An estimated 1.5 million Romani Gypsies perished under the Porajmos. Although the atrocities perpetrated on the Jews were acknowledged quite quickly at the end of world war two, it took until the 1970s for the West German Parliament to acknowledge that that persecution had been racially motivated.

Since world war two, other acts of genocide—not on the same scale of course, but utterly horrific—have unfortunately been committed across the world, including in Rwanda, Bosnia, Darfur and Cambodia, where the Khmer Rouge's slogan was:

“To spare you is no profit, to destroy you is no loss.”

That attitude towards life, some 30 years on from the liberation of Auschwitz-Birkenau, mirrored the horrors of the Nazi regime. Under the Khmer Rouge's regime, as the Holocaust Memorial Day Trust's website recalls:

“It was possible to be shot for knowing a foreign language, wearing glasses, laughing or crying.”

Who would have escaped those criteria in Nazi Germany or, indeed, Cambodia?

It is important here that we focus on the Holocaust and the persecution of Jewish people, especially in light of recent events in France.

In reflecting on the horrors of the Holocaust, we should also consider the incredible acts of life-saving bravery by individuals who felt compelled to intervene. I will briefly highlight the story of Dr Feng Shan Ho, a Chinese diplomat in Vienna at the time of the Anschluss.

Dr Ho, so appalled by what he was witnessing, issued visas to any Jews who wanted them for anywhere, so that they had the means to flee the Nazis. His superior, the Chinese ambassador in Berlin, tried to stop the practice as he did not want China's diplomatic relations with Germany to be put at risk, but Dr Ho stood firm.

We do not know precisely how many visas Dr Ho issued, but it was estimated to be in the thousands. The support that he had given to Jewish people during the Holocaust became known only after Dr Ho's death in 1997 when Yad Vashem awarded him the title of “Righteous Among The Nations” for his humanitarian courage.

As we mark the 70th anniversary of the ending of the Holocaust, it is, as I mentioned, important that young people—the adults of tomorrow—learn about it and the lessons that should be derived from what occurred. I am therefore pleased that all five high schools in my constituency are undertaking work to commemorate the Holocaust, including having survivors speak to pupils and having pupils and staff who have visited Auschwitz

address assemblies, as well as reaching out to feeder primaries to share their experiences.

I note the importance of the lessons from the Holocaust programme. By ensuring that two pupils from every school and college can visit Auschwitz, we can respond to the trust's concern that “hearing is not seeing”.

I close with the remarks of one such pupil, Rhona Lingard from Webster's high school, who visited Auschwitz in September 2014:

“We need to make sure that this doesn't happen again. We can't just remember what happened, we need to learn from it and teach others about it too.”

That sums up things rather appropriately.

17:58

**Liam McArthur (Orkney Islands) (LD):** Like others, I congratulate Stewart Maxwell on securing the debate on the 70th anniversary of the liberation of Auschwitz. He has secured similar debates on a number of occasions. Once again, he set the scene and the tone absolutely perfectly.

A couple of years ago, I took part in the equivalent debate to mark Holocaust memorial day. I recall being moved by a number of members' speeches, as I have been again this evening. Unlike me, many had visited Auschwitz, Belsen, Dachau or one of the other camps, and they were able to draw on that experience and how it made them feel.

Interestingly, most members spoke of their sense of surprise at how they had responded to their first visit to one of the camps. That is perhaps strange, given that so much of the detail and the enormity of the Holocaust are matters of long-established record. However, I think that that reflects the capacity of the Holocaust, and the unimaginable brutality that was involved, to reach down through the years and affect us in ways that we find surprising and unsettling—we heard that again today from Lucy Paterson and Kieran Smyth at time for reflection.

How could anyone act in such a way towards their fellow men? Why did nobody speak up more loudly at the time? How should we judge those who knew but did not act, even if they did not know the full extent of what was happening? Those are all legitimate questions, but we should not delude ourselves into thinking that asking them is solely an act of historical remembrance, important though that is. There are, sadly, numerous more recent examples—even if they do not match the scale of what happened during the Holocaust—that suggest that the lessons of history have not been learned.

This year, for example, marks the 20th anniversary of the atrocities that took place in

Srebrenica in 1995—the genocide of more than 8,000 Bosnians, mainly men and boys, which is the largest mass killing on European soil since the second world war. People did speak out and resolve to take action, and efforts have been made to hold the people who were responsible to account. Nevertheless, coming half a century after the liberation of Auschwitz the atrocity was a sobering reminder that such barbaric acts are not consigned to history, and the international response at the time was not above criticism.

Events in Cambodia, Rwanda, Bosnia, Darfur and Syria, which Graeme Dey mentioned, are all poignant reminders that, as Robert Burns would have observed, the capacity for “man’s inhumanity to man” remains undiminished.

The Holocaust Educational Trust is to be warmly commended for its efforts to reinforce that message with successive generations. It does that with no little success. The trust also does great work in translating what to many people is unimaginable horror on a truly mass scale, reminding us that the Holocaust was made up of many millions of individual tragedies that demand to be remembered and acknowledged for what they are.

The last time I participated in this debate, the theme for memorial day—which drew on Martin Niemöller’s powerfully evocative poem, “First they came”—was speaking up and speaking out. The emphasis was on how important it is for all of us to use our voices to challenge what we see and know to be wrong, whether that be anti-Semitism, bigotry, racism or intolerance. The theme for this year’s major anniversary is memory.

I was delighted to hear that pupils and staff at Kirkwall grammar school in my Orkney constituency have again been heavily involved in commemorative events. This week, the customary candle-lighting ceremony at KGS will take place in a room that has been transformed by secondary 2 and S3 pupils to include a black remembrance window wall, which is covered with stars of David that contain messages of remembrance and hope—Ken Macintosh talked about hope. Yellow stars have been hung in the school’s main foyer, as a poignant reminder of the Holocaust, to represent the stars that Jews wore in the concentration camps.

Of course, it was not simply Jews who were singled out. Red triangles were worn by political prisoners, including trade unionists. Purple triangles were worn by Jehovah’s Witnesses and members of small religious minorities. Homosexuals were singled out with pink badges, while black was reserved for people who did not fit in, including the mentally ill, alcoholics, the homeless and pacifists. Brown identified Roma people.

Many people would argue that some of the groups who were persecuted by the Nazis continue to suffer prejudice and discrimination. Therefore, although it is right that we remember, we should redouble our commitment to speak out loudly and act decisively.

Doing that is not always easy or comfortable. Recent events in Paris highlight the tensions that exist. Many Muslims who utterly condemn the brutal killings at *Charlie Hebdo* nevertheless feel aggrieved at what they regard as the freedom to lampoon the Prophet Mohammed when there are strict laws on anti-Semitism and denying the Holocaust. That presents a real challenge to those of us who passionately defend the right of free speech. The only way of charting a path through these troubled times is by committing to tolerance, education and debate and never losing sight of the lessons from our past.

In that regard, I commend the Holocaust Memorial Day Trust on the contribution that it has made and continues to make, and I thank Stewart Maxwell again for allowing this Parliament an opportunity to debate and commemorate Holocaust memorial day.

18:03

**Anne McTaggart (Glasgow) (Lab):** I congratulate Stewart Maxwell on securing this important debate.

Today is a day for everyone to pause and remember the 6 million Jewish men, women and children who were murdered by the Nazi regime in occupied Europe. It was not just Jewish people who were killed. Many other people met their deaths on the same sites, including Poles, Russians, socialists, communists, Christians, homosexuals, mentally and physically disabled people and people from the Roma community.

All were the direct victims of the hate and sectarianism of the Nazis. Today—27 January—survivors will lay wreaths and light candles at the so-called death wall at block 11 to mark 70 years since the camp’s liberation, in memory of those who never left.

We need to recognise that genocide does not just take place on its own; it is a steady process that can begin if discrimination, racism and hatred are not checked, tackled and prevented.

Events are taking place across the United Kingdom to mark Holocaust memorial day. In my own constituency, Glasgow, there will be a memorial meeting tonight in the Scottish Trades Union Congress building. The main aim of such meetings is not only to remember the victims of the Holocaust and why it happened but to draw attention to the modern-day threat of fascism and

racism, which is on the rise across Europe and in Britain.

Holocaust memorial day is always an important event in the area, as Glasgow is home to a large Jewish community. Speaking at the meeting tonight will be two of the “Glasgow Girls”, Amal Azzudin and Roza Salih—I hope that I pronounced their names properly—along with community activist Pinar Aksu. All three were part of a trade union-sponsored delegation on a recent Unite Against Fascism Holocaust memorial trip to the Auschwitz concentration camp, and they will be giving a report of their experience of visiting the camps. I regret that I am not able to be at the STUC building tonight to hear the personal reflections of those young people and how their trip to Auschwitz affected them, but I aim to catch up with them as soon as I can to hear about their experience.

Earlier today, we heard from Lucy Paterson and Kieran Smyth, two pupils from St Andrew’s RC secondary school in Glasgow, who delivered an excellent and moving contribution at time for reflection. My colleague Ken Macintosh spoke about their journey and experiences earlier.

We have come a long way since the liberation of Auschwitz 70 years ago. We would think that, after the revelation of such dreadful crimes, those who voiced the same views as the Nazis could never gain any votes or any credibility again, but sadly the spectre of fascism haunts Europe once more.

People with fascist views are being elected in parts of Europe and, after recent events in Germany and France, more than ever across Europe we must learn the lessons of history. All those who believe in freedom and democracy and who oppose racism and fascism must stand together united in order to ensure that the horrors of Auschwitz never happen again. We must keep the memory alive and never forget; enable and support our young ambassadors of the Holocaust Educational Trust Auschwitz project, who aim to keep their memory of the visits alive; and enable and support them to keep the memory alive and never forget.

18:08

**Margaret Mitchell (Central Scotland) (Con):** I thank Stewart Maxwell for bringing the debate to the chamber today, which is appropriately not only Holocaust memorial day 2015 but, as other colleagues have acknowledged, also marks the liberation of the Auschwitz-Birkenau concentration camp, where more than 1 million Jews were exterminated.

In November last year the Yad Vashem world centre for Holocaust research, documentation, education and commemoration in Israel, in

partnership with the Council of Christians and Jews, embarked on a pilot programme consisting of a visit for politicians to Israel and to the centre. The politicians were drawn from different parties, representing approximately every tier of government across the United Kingdom.

I had the privilege of being invited to take part in that pilot programme, which included a three-day varied programme with seminars, discussions and a tour of Yad Vashem and its features. Interestingly, the programme also included a visit to Ramallah in Palestine.

The Yad Vashem centre has an impressive and compelling air of tranquillity, situated as it is on a hillside with a panoramic vista of Bethlehem. In the centre itself and throughout the campus, there are poignant memorials and opportunities are provided for interactive engagement and analytical discussions. It is therefore very much a living and working centre. Its features include the Holocaust history museum and the heart-wrenching hall of names, which contains the names and personal details of millions of victims recorded on pages of testimony by survivors and many of their loved ones. The museum of Holocaust art exhibits the world’s largest collection of art that was created in the ghettos, camps and hideouts, and other places where artistic endeavour was well-nigh impossible. Here, the tenacity and bravery of the human spirit are clear for all to see.

Meanwhile, the visitor centre enables groups such as our party, or individuals, to watch documentaries, films and survivor testimonies on screen. In particular, I found the learning centre challenging and enlightening, as it presents the opportunity to explore historical, thematic and moral dilemmas related to the Holocaust. For example, I understood how important family was to the Jewish community and how that often meant that Jewish families could not take flight, even when they knew that danger was imminent, because it would have meant leaving grandparents or other members of their family behind. Quite simply, they were not prepared to do that.

The group was also privileged to go behind the scenes to see how the centre gathers and forensically analyses historical artefacts using state-of-the-art technologies to decipher even minuscule and damaged material. Consequently, items that may seem to the casual observer to be meaningless scrap are recognised for their potential value in connecting an individual who perished in the Holocaust with their family, who might still not have any concrete proof of what happened to their loved one.

I recommend the programme to anyone in the Parliament who has the opportunity to take part, for it is imperative that we never forget the

extensive atrocities that were committed by the Nazi regime. I commend the work of the Holocaust Educational Trust and its commitment to ensuring that we remember the horror of and learn from the Holocaust.

18:12

**Colin Keir (Edinburgh Western) (SNP):** I, too, congratulate Stewart Maxwell on bringing the debate.

I cannot think of a more appropriate day than the 70th anniversary of the liberation of the Auschwitz-Birkenau death camps to commemorate Holocaust memorial day. The attempted wiping out in Europe of not just Jews but others such as Sinti and Roma Gypsies has proved to be among the most shameful acts in modern times, if not in the history of mankind. If we think of the crimes against humanity in Cambodia, Srebrenica and Rwanda, it is almost as if the world has not listened to the warnings of the early part of the 20th century.

I fully commend and support the work that is carried out by the Holocaust Memorial Day Trust and the Holocaust Educational Trust. It is vital that younger generations are taught about the vile actions of the Nazis and their followers from the 1930s until 1945. I would like to think that the education of our younger people will enable them to identify the type of laws that can only lead to persecution of smaller groups. The Nazi Nuremberg laws are a good case in point.

I was born 14 years after the end of the second world war. I grew up in a Scotland in which we had only two or three television channels. That meant that we had no shortage of war films on BBC 1, BBC 2 and ITV; they gave me my childhood view of war. It was only later, when I reached my teens, in the 1970s, that I found out about the atrocities in the concentration camps and death camps that were organised by the Nazis, but there was a limit to what we knew or understood. Perhaps I got a bit more knowledgeable when I was doing my highers, but the atrocities took place way before my time.

The full impact of what happened hit me fairly recently, in the past five years, when I began visiting friends in Berlin. Initially, I accidentally came across places that would have held a great deal of fear for any Jews in the area all those years ago. We travelled on Berlin's S-Bahn and stopped at Grunewald station in the west of the city. We looked around and saw tiled buildings that had obviously been through the war and had been kept. I was quite impressed by the sense of history in the architecture, given that 80 per cent of the city had been destroyed, and I pointed that out to my friends. They looked at me, pointed and said

that it was where the Berlin Jews were told to report for what they thought was going to be a new life in the east.

The penny really dropped with me at that point. I can genuinely say that my heart sank. That was no grainy black-and-white television documentary or even a new colour film on the History Channel; that was living history. The sense of being on the site of the cattle trucks and the mass of people who were directed by SS guards, and the knowledge that most of those human beings will never have returned, had a profound effect.

On subsequent visits to the city, I found myself having similar feelings. I had similar feelings when I saw the inauspicious building that Adolf Eichmann used when he was planning the journeys of those poor souls, who were the victims of the final solution.

Why had I known about that period of history but not really felt it or understood it? Living history is about visiting, talking about what happened and really understanding why it happened.

Back in the mid-1980s, I attended a Bruce Springsteen concert in which he said in a preamble to a song:

"Blind faith in your leaders ... will get you killed."

Perhaps the Jews, Sinti and Roma peoples did not sign up to Nazism, but many others did and millions paid the price. Seventy years ago is not that long ago, and genocide has happened since then. Evil has not gone away, but the world must do what it can to identify it and do something about it.

I support and commend the motion.

18:16

**The Minister for Learning, Science and Scotland's Languages (Dr Alasdair Allan):** I thank Stewart Maxwell for again lodging a motion on Holocaust memorial day to be discussed in a members' business debate. I also thank the many members who have taken part in the debate.

As we speak, from Shetland to the Borders, schools, colleges, universities, faith groups and communities are remembering this particularly significant Holocaust memorial day with candle-lighting ceremonies, memorial events, music, drama and poetry. I thank the Holocaust Memorial Day Trust and Interfaith Scotland for their partnership in organising the commemorative programme of events this week. I also thank the Holocaust Educational Trust for placing the book of commitment in the Parliament this week and for the outstanding work that I know that it does.

In October 2011, I had the privilege of taking part in a schools' visit to Auschwitz that was

organised by the lessons from Auschwitz project, which is funded by the Scottish Government and run by the Holocaust Educational Trust. I will not readily forget that experience, and the many young people who were with me that day will not forget it either.

It has often been said that the only appropriate thing to say on visiting Auschwitz is nothing at all. Anything that we might offer to say would be inadequate. People are taken aback by different things. For some people, the most shocking thing about seeing Auschwitz-Birkenau is its sheer scale—it is the size of a small town. For some, the most shocking thing is trying to work out how the camp Kommandant, apparently cheerfully, had his wife and children living in a comfortable house on the site. For others, the most shocking things are the photographs of lost families, the house keys that had been left or the piles of shoes and hair. All that rehumanises what happened and makes sense—if that is possible—of vast numbers by focusing on individual victims.

The Scottish Government is pleased to have been able to fund those opportunities for senior pupils from Scottish schools for some six years now, since 2009. As a result, well over 2,000 school pupils have had the experience of visiting Auschwitz-Birkenau.

It is, of course, not only that experience that is so powerful; the lessons from Auschwitz programme supports young people to go on to become ambassadors for the project. The motion mentions two of those ambassadors: Lucy Paterson and Kieran Smyth from St Andrew's RC secondary school in Glasgow. I understand that they led a very moving and eloquent time for reflection at the start of our meeting today.

Lucy, Kieran and other ambassadors can teach us about the vital importance of understanding and respecting different religions and beliefs and of understanding those who are of a different race or of a different sexual orientation, because the Holocaust teaches us, very disturbingly, about where intolerance of all kinds, and specifically—as Ken Macintosh and others pointed out—anti-Semitism, leads us all.

As we heard, the theme of this year's Holocaust memorial day is "keep the memory alive". Ela Weissberger, a Holocaust survivor, and Hasan Hasanović, a Srebrenica survivor, are travelling throughout this week, sharing their testimonies with young people, community groups and others. Across Scotland, people young and old will be pledging to keep the memory alive, giving a voice to those whose voices were brutally silenced in genocides.

Tonight, in Ayr, the First Minister will join survivors, students, local and national politicians,

communities and faith groups, including the Jewish community, at the national Holocaust memorial day event. Tomorrow, in Glasgow, about 400 primary 7 to secondary 6 pupils from across the city will be involved in their own pupil-led Holocaust memorial day event. Schools, colleges and universities will involve students, lecturers and communities in a variety of events including the sharing of stories and reflections. A University of the Highlands and Islands candle-lighting ceremony will take place through a live link-up across the university's campuses, including those on the islands of Benbecula and Barra in my constituency.

All divisions of Police Scotland are marking Holocaust memorial day, and this morning Falkirk Council hosted an event that included a mix of song, film and poetry by local community groups, telling the stories of the Gypsy and Roma, religious, political and lesbian and gay communities' experiences of the Holocaust.

On Thursday, the Parliament will host a reception for survivors and their families, including those who came to Glasgow as part of the Kindertransport. The reception will commemorate Holocaust memorial day and will also celebrate the enormous contribution that migrant communities have made over successive generations to make Scotland the successful and diverse country that it is today. That was mentioned by Jackson Carlaw in a very thoughtful speech.

Keeping the memory alive means not only learning about the Holocaust but learning from the Holocaust. It means learning the lessons of our past, and to do that we need to fully understand where intolerance and prejudice take us. We must never be complacent about intolerance and hatred. We must challenge and eradicate all forms of discrimination and prejudice wherever we can. As many have observed tonight, the recent tragic events in Paris should remind us all of the need for vigilance.

I am grateful for the opportunity to contribute to this members' business debate, in which members have reflected their personal commitment to education about and commemoration of the Holocaust and other genocides. As Mr Maxwell and Mr Gibson mentioned, there will come a time when there are no living witnesses to testify to these crimes, so we all have a responsibility to keep the memory alive and to continue to support the important, heartfelt, meaningful activities that we have seen throughout our country today.

*Meeting closed at 18:23.*

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