

Extract from the Official Report of the Proceedings of the Scottish Parliament on 6 October 2004 (columns 11011-11055)

Those who spoke in the debate:

Mike Watson (Glasgow Cathcart) (Lab)
Christine May (Central Fife) (Lab)
Christine Grahame (South of Scotland) (SNP)
The Deputy Minister for Enterprise and Lifelong Learning (Allan Wilson)
Phil Gallie (South of Scotland) (Con)
Richard Lochhead (North East Scotland) (SNP)
Murdo Fraser (Mid Scotland and Fife) (Con)
John Swinney (North Tayside) (SNP)
Mary Scanlon (Highlands and Islands) (Con)
Jamie Stone (Caithness, Sutherland and Easter Ross) (LD)
George Lyon (Argyll and Bute) (LD)
Nora Radcliffe (Gordon) (LD)
Maureen Macmillan (Highlands and Islands) (Lab)
Chris Ballance (South of Scotland) (Green)
Alasdair Morgan (South of Scotland) (SNP)
John Farquhar Munro (Ross, Skye and Inverness West) (LD)
Alasdair Morrison (Western Isles) (Lab)
Sarah Boyack (Edinburgh Central) (Lab)
Alex Johnstone (North East Scotland) (Con)
Rob Gibson (Highlands and Islands) (SNP)
Alex Neil (Central Scotland) (SNP)

Renewable Energy

The Deputy Presiding Officer (Murray Tosh): The next item of business is a debate on motion S2M-1762, in the name of Alex Neil, on behalf of the Enterprise and Culture Committee, on renewable energy in Scotland. I call Alex Neil to speak to and move the motion.

Alex Neil (Central Scotland) (SNP): I am sorry, Presiding Officer, but the debate will be introduced by my colleague Mike Watson, who is the deputy convener of the committee.

The Deputy Presiding Officer: In that case, I am happy to call Mike Watson.

Mike Watson (Glasgow Cathcart) (Lab): I am pleased to open the debate on behalf of the Enterprise and Culture Committee. I do so as the deputy convener of the committee, as our convener throughout the inquiry – Alasdair Morgan – has moved on to what can surely be described as sunnier climes in the Finance Committee; I say that as a former convener of the Finance Committee. My fellow committee members and I wish Alasdair Morgan well in his new challenges in that committee.

I am pleased to welcome the many visitors who are in the gallery to watch the debate. That reflects the fact that, throughout the inquiry, it was clear to all of us that the subject really matters to the people of Scotland and that they want to have their say on it. That was one of the reasons why the inquiry was so comprehensive. Before it had even been decided that the committee would undertake the inquiry, the convener and members of the committee received more than 100 letters and e-mails from members of the public asking us to consider this important issue. In the course of our inquiry, we heard oral evidence from 50 witnesses representing 34 different organisations and groups, and we received more than 140 written-evidence submissions and considered five petitions, which came from the Borders to the Highlands.

We had a fascinating visit to Campbeltown to see at first hand the economic impact of renewable energy on a community in which traditional industry no longer exists. The visit was also important in respect of the drive that all members in all the committees have to take Parliament to the airts and pairts of Scotland. At a public meeting in Campbeltown, more than 60 local people came to meet us.

They told us about how renewable energy affects their lives, not least in the light of the fact that about 300 jobs are provided by the nearby wind-turbine plant at Machrihanish.

Our report is therefore based on a considerable amount of evidence. We were determined to get out of the Parliament so that we could listen to the people of Scotland about the potential benefits – as well as the threats and pitfalls – that are associated with renewable energy.

We published our report on 30 June and, breaking ground in respect of Parliament's engagement with Scotland's public, we also produced a handy pocket edition of the report. It was the first time that has been done in Parliament – it was a pilot scheme which, I say for the benefit of members on other committees, has already proved to be popular.

Indeed, it is heartening to report that, since publication of the report, we have received dozens of responses from members of the public and organisations. That has continued right up until this morning: over the past two to three days, I and other members of the Enterprise and Culture Committee have received numerous messages – I received 13 different messages – on aspects of the report that might be included in this debate. That highlights the public interest in the subject.

Christine May (Central Fife) (Lab): Will Mike Watson confirm that, as I have, he has received representations on the trans-European networks and the potential of the European strand for interconnectors to create jobs in construction and improve opportunities for Scotland to sell the products of its renewable energy to other European Union member states?

Mike Watson: Yes, like Christine May, I have received information about that and it seems to be a valuable contribution, because it is a trans-European project – as the name suggests – and one in which Scotland can play its part and produce jobs in the process.

The Scottish Executive has set ambitious targets to demonstrate its commitment to maximising the use of renewable energy. It aims to generate 18 per cent of Scotland's electricity from renewable resources by 2010 and 40 per cent by 2020. Our inquiry led us to conclude that it is likely that the first target will be met, mainly because of existing hydro and new onshore wind power developments.

We consider, however, that the Executive's current renewables policy is unintentionally working against the development of renewable energy sources, other than onshore wind.

Phil Gallie (South of Scotland) (Con): Will the member take an intervention?

Mike Watson: I would like to make some progress, although I might have time later.

It is understandable that energy companies will want to use proven technology that makes electricity cheaper and thus more profitable to produce – their shareholders would not expect anything else. However, we recognise that there must be more wind farms to reach the target. The committee believes that such over-reliance on one source of energy does not represent sound policy for the country as a whole and we are therefore clear that the additional capacity that is required to meet the 2020 target must not be met entirely from large-scale onshore wind farms. I very much welcome the Executive's stated commitment 'to develop a wide and diverse spread of renewable energy sources.' We say in the report that 'the first element of an energy policy should be a revised Renewables Obligation.'

The renewables obligation Scotland scheme has been a genuine success in encouraging onshore wind farms to the extent that there is every likelihood that we will meet that 2010 target. Looking ahead to 2020, however, it is likely that to meet that target, we will be far too reliant on onshore wind development. The Scottish Energy Environment Foundation has suggested that it could be as much as 85 per cent of the 40 per cent target. That is why the committee recommends that the Executive now reviews the renewable obligation Scotland scheme so as to promote other renewable technologies in the same way.

The Executive has replied that it will indeed review the scheme in 2005-06. I am glad that it has made a commitment to take into account the committee's views when conducting that review. I urge the Executive to complete that review and implement the findings as quickly as possible because we have learned from the inquiry that developments are happening very fast.

Christine Grahame (South of Scotland) (SNP): As Mike Watson knows, I gave evidence to the committee on the Minchmoor petition. I note from recommendation 33 in the committee's report that the committee wants the Executive to take 'an active lead and develop a national strategic framework for wind farm applications'.

Given that the Executive's most recent answer on the national strategic framework says simply that it will respond to the committee's report in due course, that those planning applications are still in train and that there is no national framework, will the committee press for an early response from the Executive so that those applications do not proceed in the meantime?

Mike Watson: The committee has not been that precise, but we are disappointed that the strategic framework that we asked for has not yet been accepted by the Executive. For the reasons that are outlined in the report, we believe that the framework is necessary to ensure that planning applications are dealt with more appropriately.

It was clear to us throughout the inquiry that Scotland is not reaping the full benefit of wind energy technology, but that the potential exists for us to become world leaders in marine energy. The Executive's response to our report states, for example, that by 2020 20 per cent of our electricity production could come from marine sources. We have the natural resources in Scotland and we have the scientists and the engineers, so there is genuine scope for investment now to pay huge dividends in the future in terms of high-quality sustainable employment and cleaner energy from renewable sources.

One of the Executive's newly established intermediary technology institutes is based in Aberdeen, with good reason. It has been given responsibility for developing energy technology in the city that has been the UK's oil capital for the past 40 years. It is essential that, through making the right links with our academics, investors and businesses, the institute develops modern energy technologies to ensure the next generation of energy supply. By doing that, Scotland will move to the forefront of this technology.

We are fortunate in Scotland because we are richly endowed with the raw materials for a variety of other renewable energy sources. In addition to marine energy, we have – believe it or not – one of the best solar energy sources in Europe. We also have acres of forest that can be used to provide fuel for biomass burners. All those could, potentially, transform some rural areas with the possibility of spin-off benefits in sustainable employment – so-called green jobs – in coppicing and forestry.

In the course of our inquiry, we saw and heard of a number of examples of very high quality, but small-scale renewable energy developments. For example, by providing half of the domestic hot water requirements of an average house in Scotland, a typical domestic solar panel system would each year prevent the release of thousands of kilograms of carbon dioxide into the atmosphere.

We also heard about the development of a domestic wind turbine that would cost about £750 to install in a house, but which – it is estimated – would pay for itself in about five years and would provide 15 per cent of household electricity needs. Because of the major benefits that such micro-developments can deliver for some rural communities, they need to be assisted. The committee heard that some such communities are already demonstrating their determination to become leaders in renewable energy.

Planning was a major issue. The ability or otherwise of the planning process to cope with the growing demand for renewables was a recurring theme throughout the inquiry. Many, if not all, members would attest to the fact that one of the most controversial aspects of the development of renewable energy in Scotland has been the rapid increase in the number of onshore wind farms. Current figures point to a threefold increase in such developments by the end of next year. I am sure that we have all received representations from people who are either hugely in favour of or bitterly opposed to such developments. As a result, it is hardly surprising that the committee heard a range of views about their human, environmental, social and economic pros and cons.

It was abundantly clear that no one who is affected by the issue – from those who submit plans for wind farms, to people who live nearby, to the local authorities that are responsible for assessing the suitability of plans – is in any doubt that there are major weaknesses in the current planning system

and that there is a lack of clear guidance from the Executive. As a result, we recommended in our report that the Executive take an active lead and develop the national strategic framework for wind farms, to which Christine Grahame referred. It is a matter of concern that the Executive has rejected that recommendation on the ground that it will review current Scottish planning policy on renewable energy development with an announcement expected in 2006. That takes no account of the need to act as quickly as possible, given that the present system clearly cannot deal with the scale of applications and the pace at which their number is increasing.

The Executive has not responded at all to the committee's recommendation that, for larger wind farm applications in which the final decision rests with Scottish ministers, a system should be established to allow local authorities to keep planning fees. After all, although they are not given responsibility for deciding on applications, local authorities are required to carry out the work that is associated with them. Arguments in favour of that change were made forcefully to us; the committee believes that the case is just. In evidence, the Deputy Minister for Enterprise and Lifelong Learning accepted that and stated that the Executive would be 'happy to consider that point and whether there is a way in which we can satisfactorily address that concern.' – [*Official Report, Enterprise and Culture Committee*, 30 March 2004; c 833.]

That has not happened. The Executive cannot have its cake and eat it. I hope that the new minister might have reconsidered the matter and that he will have something positive to say about it.

Overall, the Executive's response to the report is disappointing. I have mentioned some aspects, but I have to say that it was silent on a significant number of recommendations. Although we recommended the development of hydrogen technology as a means of countering intermittency problems, it was not mentioned in the Executive's response. I have commented on our recommendation that the Executive should establish a system to allow local authorities to be reimbursed for planning fees.

We also recommended that the Executive examine the potential for disseminating good practice and for linking the warm deal and new deal programmes; again, those were not mentioned in its response. Although we recommended that the Executive continue to raise the visibility of promoting the concept of community ownership of renewable projects, the Executive's response did not mention community ownership.

We recommended that, in developing the renewable energy sector as a priority, the Executive take the lead where the private sector is risk averse; that it undertake research as soon as possible to estimate the generating capacity that the market will be able to deliver by 2020; and that it should develop a clear policy to ensure that communities in Scotland gain the maximum benefit from the renewables sector. None of those recommendations was mentioned in the Executive's response. We hope that the new minister will revisit the committee report and come back to us on the issues that the Executive has not addressed.

I thank everyone in Parliament who participated in the inquiry – not just the clerks and the Scottish Parliament information centre but those outwith the Parliament. It has been a good example of the way in which Scotland's public can engage in our work and contribute to the outcome.

Members of the Enterprise and Culture Committee spent a lot of time reading a lot of submissions and hearing a lot of evidence. At the end of that process, we produced a unanimous report and one that I commend to the Parliament.

I move,

That the Parliament commends the 6th Report 2004 (Session 2) of the Enterprise and Culture Committee, *Renewable Energy in Scotland*, including its support for the Scottish Executive's ambitious renewable energy targets; recognises that, if the targets are to be met, further development of all sources of renewable energy will be necessary, and urges the Executive to take active steps to ensure that the targets are met from a range of renewable sources including wind, wave, tidal, solar and bio-mass, that energy efficiency measures continue to increase and that the current planning regime is kept under review to facilitate this.

The Deputy Minister for Enterprise and Lifelong Learning (Allan Wilson): Before I address the terms of the motion, I would like to express my admiration for the Enterprise and Culture Committee and its inquiry into renewable energy, which was described so ably by Mike Watson. The conduct and expertise of the committee members, as well as the participation by so many bodies and individuals from across Scotland and the United Kingdom, have helped to shine a light on this important policy area. Such focus cannot be underestimated and all who were involved deserve credit from Parliament for the part that they played. It is probably fair to say that the committee has gone from strength to strength since John Swinney and I were members of the Enterprise and Lifelong Learning Committee all those years ago.

It is good to be here today and I am pleased to take part in this debate. I firmly believe that the renewables policy that we have in place will continue to deliver environmental and economic benefits to Scotland. I believe that there is a great deal of common ground – dare I say consensus? – in the chamber regarding renewable energy. That came out in Mike Watson's speech and strongly in the committee's report. Consensus is very important in the new politics here in Scotland, and I think that we in Parliament share a responsibility to ensure that that consensus is not shrouded or drowned out by detailed debate on how our renewables policy might be delivered.

The motion expresses welcome support for the ambitious targets that we have set. Those targets are often misinterpreted, innocently or otherwise, but they underline our potential to meet our energy needs from clean –

Phil Gallie: Will the minister give way on the issue of targets?

Allan Wilson: Certainly.

Phil Gallie: Page 24 of the committee's report states that neither the Department of Trade and Industry nor the supply industry can identify what generation requirements will be by 2020. How then can the minister set a 40 per cent target for renewables, especially when I have yet to hear an explanation from ministers on whether or not they are talking about sent-out figures or generation-capacity figures?

Allan Wilson: We set targets for good reason – so that we can meet our renewables obligations. The environmental benefits and the benefits in economic performance are manifest. The further we move towards securing those targets, the greater the benefits will be for our country. Our targets demonstrate to the renewables industry at home and abroad that Scotland can – as Mike Watson mentioned – become a renewables powerhouse in the European context and in a global context. Developers and investors alike are already reacting to what I believe is a very strong signal to the market. I would have thought that that would have been welcomed by the Tories.

Richard Lochhead (North East Scotland) (SNP): The minister talks about Scotland's potential to become a 'renewables powerhouse', but does he accept that the current proposals of the National Grid Company plc – which are being considered by Ofgem and which discriminate against Scottish renewable projects because of transmission charges – would pull the rug from under all our efforts to create a renewables industry in Scotland?

Allan Wilson: I understand the point that Mr Lochhead makes and I assure him that we are involved with our colleagues in the Scotland Office, the DTI and elsewhere to ensure that the British electricity trading and transmission arrangements benefit Scotland. However, Mr Lochhead cannot have his cake and eat it. BETTA is absolutely fundamental to our being able to develop the renewable energy potential to which I have referred.

Consistency in the message is very important, although that is probably an alien concept to the nationalists. I will happily place on record again today the point that we made in our initial submission to the committee, that my predecessor made again when he appeared before the committee in March, and which was reiterated in our subsequent response to the committee's report: we are determined to support the development of as wide a range of renewable sources as possible. Work is already under way to ensure that offshore wind, wave, tidal, hydro, solar and biomass power can join onshore wind in making a real contribution to meeting our future energy needs.

Christine May: The minister mentioned the Executive's welcome initiatives on biomass. Does he accept that there is some concern among producers about the decisions and attitudes of the Office of Gas and Electricity Markets – Ofgem – particularly in relation to the licensing of off-site blending of biomass with coal for co-firing purposes? Will he undertake to examine that and to have discussions with his colleagues at Westminster?

Allan Wilson: I am aware of those concerns. I understand that Scottish Coal and Ofgem, with the Executive as mediator, are seeking solutions to the problems in respect of blending to which the member referred. I hope that those discussions will prove to be fruitful.

We agree that wave and tidal power have tremendous potential and need additional support. The successful operation, and growing reputation, of the European Marine Energy Centre in Orkney, which we have funded, is crucial, but it is part of a chain of measures. We have begun work with EMEC to position it as the global centre for marine energy operating and safety standards, in line with the recommendations of the forum for renewable energy development in Scotland, or FREDS.

Murdo Fraser (Mid Scotland and Fife) (Con): Will the minister give way?

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): Will the minister give way?

Allan Wilson: I am spoiled for choice. I give way to Murdo Fraser.

Murdo Fraser: I press the minister on his point about wave energy. Will he tell us what projects are available, perhaps funded by the enterprise companies, to encourage entrepreneurs to perfect technology for wave energy? I ask that question specifically because a constituent who came to see me last week applied for SMART:Scotland funding for a wave energy project but was told that he could not have it because projects have to be demonstrably commercially and financially viable. Clearly, he cannot demonstrate that because it is an experimental project. Are other sources of funding available for people in that situation?

Allan Wilson: I am not familiar with the detail of the individual case to which the member referred, but I am happy to write to him. As I understand the position, the £50 million DTI funding gives opportunities to explore potential commercial success as well as to develop tried and trusted commercial ventures. I hope that those efforts and others like them will strengthen our marine energy sector and attract more investment from overseas. Scotland could and should become a byword for marine energy success in the future.

Mr Stone: Mike Watson referred to hydrogen power. Given that Arnold Schwarzenegger is having a hydrogen highway put in in California, will the minister tell us something about that technology? I believe that it will be crucial to renewable energy.

Allan Wilson: There is a school of thought that says that hydrogen will produce a large part of the energy that we need in the future. There is work in my constituency that involves potential suppliers of energy who are involved in hydrogen production. That is an important element of developing our renewable energies potential; I am keen to work with the committee and others on that.

John Scott (Ayr) (Con): Will the minister give way?

Allan Wilson: No. I have done reasonably well so far in taking interventions.

Our forum for renewable energy development continues to produce results. FREDS envisages the Executive, the renewables industry and academia working side by side to promote the renewables agenda and emerging technologies in particular. We have already begun to implement the recommendations of the FREDS marine energy report and similar papers will be published during the next few months that will set out road maps for the promotion of biomass and hydrogen technology.

The £5 million that we have spent during the past three years has seen wind, biomass, solar and geothermal heat and power technologies installed in homes and communities throughout Scotland. We are delighted with the progress, popularity and effectiveness of that scheme and we plan to make an announcement on its future in the next few weeks. I was delighted to grant consent earlier today to two new developments; one at Braes of Doune near Stirling and the other at Farr in the Highlands.

Those will involve 200 megawatts of new renewable generating capacity and represent a strong and positive signal for the market in Scotland.

Mr John Swinney (North Tayside) (SNP): Will the member take an intervention?

Allan Wilson: If the member does not mind, I would like to make progress

It is also worth noting that those large developments drew only a tiny handful of objections, which betrays the myth that the public at large is up in arms against wind power. It also exposes any calls for a moratorium as hollow and unnecessary.

Mr Swinney: Will the minister give way?

Mary Scanlon (Highlands and Islands) (Con): Will the minister give way?

Allan Wilson: If members will calm down, I hope that what I am about to say will be welcomed by all members in the chamber.

Our position at this time remains that current planning guidelines provide a sufficiently robust mechanism against which to assess all renewables development proposals. The guidelines are due to be reviewed shortly under a previously established timetable. We have also made it known that we intend to consult on improving the procedures under section 36 of the Electricity Act 1989. Given that it is vital that those reviews have buy-in from all the relevant people, we intend to draw together representatives of all the interested parties – including local authorities, key environmental stakeholders, regulators and the industry – to take part in a forum to support the planned reviews. In doing that, we can ensure that our planning and consent procedures remain as robust and responsive as possible and that we continue to progress towards achieving our ambitious renewable energy targets. In the meantime, developments will continue to be judged against our existing planning and consent guidelines.

Mr Swinney *rose* –

Allan Wilson: I am aware of the continuing uncertainty over the new British electricity transmission and trading arrangements – known as BETTA – and of the concern about the revised transmission charges.

I give way to Mr Swinney.

The Deputy Presiding Officer (Trish Godman): The minister is in his last minute, so the member must be quick.

Mr Swinney: I welcome the review of the Executive's existing planning policies, but will the minister commit to issuing guidance on situations in which there is congestion because of the number of applications in a small geographical area, which is causing enormous anxiety in different parts of Scotland?

Allan Wilson: My announcement today, which I am sure Mr Swinney welcomes, helps to build on the consensus that exists in Parliament. We all want Scotland to benefit from renewable energy, but not at an unacceptable cost to the environment. I have asked my officials to develop plans for an advisory forum that will bring together experts from throughout Scotland who have an interest in renewable energy. In addition, the forum might include heritage bodies, environmental groups, local authorities and the industry. The forum will consider the issues to which the member referred, together with the other issues that lie out there.

In both my environment and enterprise portfolios, I have learned that there is consensus, which I hope to build upon, on the need to achieve our targets for producing energy from renewable sources while protecting our natural environment for future generations. We remain committed to supporting renewables and to protecting our environment. We intend to create new jobs and to inspire new economic activity. In doing so, we will respond to the committee's favourable report by leading Scotland towards a sustainable energy future.

Richard Lochhead (North East Scotland) (SNP): In this important debate on renewable energy, it is good to see that political portfolios are also renewable. Since the Enterprise and Culture

Committee's report was published, we have had a new Deputy Minister for Enterprise and Lifelong Learning, whom I welcome to his new role, and a new committee convener, Alex Neil, whom I also wish all the best. I pay tribute to the outgoing convener, Alasdair Morgan, who steered a hard-hitting report through the committee.

Scotland has a massive opportunity for renewables. With our abundance of wind, we could provide 25 per cent of Europe's potential wind energy. We also have 10 per cent of Europe's potential wave energy and 25 per cent of Europe's potential tidal energy. Our massive forests could be used in delivering biomass energy and our agriculture industry could supply energy crops. Lo and behold, Scotland even has potential for producing solar energy.

In 2004, however, we still find ourselves in the position such that our production of renewable electricity is below the European Union average. That is a great pity, given the huge potential of Scotland's environment. For CO₂ emissions, only five of the 26 European countries and only 22 of the 203 countries that were measured by the United Nations have a worse record than Scotland.

There are huge job opportunities for Scotland. Tidal and wave energy present opportunities that should be grasped. We have lost out on many jobs in the wind energy sector, but there is still potential in the tidal and wave energy sectors.

There is also enormous potential for Scotland in securing energy supplies, not just nationally but in communities throughout Scotland. We need to secure energy independence, as well as political independence.

Phil Gallie: The member was previously convener of the European and External Relations Committee, so he will be familiar with the Lisbon agenda and the need to ensure secure electricity supplies. Does the report of the Enterprise and Culture Committee identify anywhere the amount of savings on CO₂ that will result from wind farm provision, especially given the need for spinning reserve?

Richard Lochhead: Mr Gallie should read the report for himself – it is the subject of the debate – instead of asking me what its contents are. Of course we need to secure the figures to which he refers if we want to have a strategic policy in this area.

Allan Wilson: The member mentioned CO₂ emissions and contrasted Scotland's record with that of the rest of the European Union. Does he accept that emissions data do not reflect all the complexities that are associated with production and use of energy? Scotland exports electricity to England and Northern Ireland; although that electricity is consumed elsewhere, the associated greenhouse gas emissions appear in the Scottish record.

Richard Lochhead: That is a fair point. However, in the context of the debate it is important to make clear that by tackling only electricity we will not reduce CO₂ emissions substantially.

The report is excellent, but it concentrates on the production of electricity from renewables. If we are to make a real difference, Parliament must tackle the other huge areas, especially heat. It would be useful if the minister would today give a commitment to set targets for heat production, as well as electricity production, from renewables.

We must also consider transport. The Executive's response to the committee's report was interesting because it highlighted three current schemes for transferring vehicles from current fuel use to clean technologies. Over the past couple of years, those three schemes have between them converted only 1,049 vehicles in Scotland to clean technologies and fuel efficiency. Given that there are 2.3 million vehicles in Scotland, at that rate it will take us about 2,500 years to tackle the transport issue here. A great deal more work needs to be done on that.

Energy efficiency is a huge area. At question time, the minister said that £10 million has been allocated to it, but that is nowhere near enough if we are to take the issue seriously. Given that 80 per cent of the energy that is used in homes is for heat, we must invest much more cash in that.

Perhaps the biggest indictment of the Government after five years in office is that despite rising energy prices in Scotland, despite our impending dependency on imports of energy, despite the freak

weather conditions that remind us of the challenges of climate change – I notice that in today's news there are flood warnings throughout Scotland – despite the fact that we know that nuclear power stations in Scotland are coming to the end of their lives and despite the unstable international situation, which will have an impact on oil prices and so on, the exasperated Enterprise and Culture Committee has had to make a plea to ministers to produce 'a comprehensive Scottish energy policy'.

That is an indictment of the Executive's track record over the first five years of devolution.

The report contains a number of criticisms. In his opening speech, Mike Watson alluded to some of them, especially the emphasis in recent years on producing wind energy. All members agree that we must diversify and address issues such as the renewables obligation, which has tended to make wind the sole form of renewable generating capacity. All members accept that onshore wind is important, especially when we hear that from Executive ministers, as was the case earlier. However, we must examine other sources, especially offshore wind production, which has huge potential for Scotland. We all welcome the recent announcement by Talisman Energy concerning the Beatrice field, which will allow us to transfer many skills from the onshore sector, especially in oil and gas, to the offshore sector.

We must have public support throughout Scotland for onshore wind power production. The report points the way forward. We are almost begging ministers to introduce national guidance and a national framework. Today we heard that the minister is willing to steal an SNP policy that was proposed a couple of years ago and to set up an advisory forum. It is a great pity that he did not do so two years ago. However, it seems that there will be no action on that front for the next couple of years.

We have to secure public support and address those issues. We also have to ensure that communities can see direct benefit from having wind turbines in their areas through access to the energy and to some of the revenues.

Tidal and wave power has been mentioned, which has perhaps the greatest potential. The world expertise in that is based in Scotland, but I put it to the minister that we must ensure that the academic expertise that exists stays in Scotland. He must introduce measures to ensure that will be the case. This week the US announced another \$28 million project to open a renewables laboratory in the States.

The Deputy Presiding Officer: You must finish now.

Richard Lochhead: There is a real danger that our academics will be poached; we cannot allow that to happen. We must also ensure that assistance is provided to get projects out of the experimental stage. It is very difficult for projects to attract venture capital because of the risks that are imposed.

I want to mention two final issues.

The Deputy Presiding Officer: No. I am sorry, but you must finish now.

Richard Lochhead: Finally, the minister must produce better regulations and ensure that our energy projects are not undermined. We have the potential in Scotland, but we need the policies to make that potential a reality.

The Deputy Presiding Officer: I call Murdo Fraser, who has six minutes.

Murdo Fraser (Mid Scotland and Fife) (Con): Thank you, Presiding Officer. I will try to keep to my time.

I welcome the new Deputy Minister for Enterprise and Lifelong Learning to his portfolio. I know that he takes a keen interest in energy matters, not least because of his constituency interest in the nuclear industry. I am sure that we look forward to debating the issues with him over the coming months.

I join Mike Watson in thanking the clerks and the Scottish Parliament information centre for all their assistance in the preparation of the report. The report represents a substantial piece of work for the committee and took up some months in evidence taking and preparation.

It is fair to say that all members of the committee came to the inquiry with varying degrees of knowledge about renewable energy. For my part, I had some knowledge of wind power, driven mainly by constituency concerns, but my knowledge of other aspects of renewable energy was very limited. I think that all members of the committee learned an awful lot during the inquiry. Given that we all came from different political perspectives and with different degrees of knowledge, it is remarkable that we were able to agree the report unanimously. That gives the report added weight. As the enterprise committee, we were keen to examine the economic opportunities for Scotland from renewables. We accept that some technologies are currently far from market and need to be incentivised.

I believe that the conclusion of the report could be summarised in one sentence: we see great opportunities for renewable energy, but those opportunities will not be exploited given the current over-reliance on onshore wind energy. This afternoon I will concentrate on two points that arise from that conclusion. First, there is tremendous economic opportunity for Scotland to lead the way when it comes to developing new technologies, such as wave and tidal power, biomass and hydrogen cell technology. We know that construction jobs have been created in Scotland in relation to wind power – the committee visited the Vestas-Celtic Wind Technology Ltd plant in Campbeltown – but the fact is that the intellectual property is owned elsewhere, in particular in Denmark. Therefore, comparatively speaking, there is little economic benefit to us in pursuing wind power further. However, we can be world leaders in the new technologies.

George Lyon (Argyll and Bute) (LD): I take the point that Murdo Fraser is making, but he should try telling the 225 people who are currently employed at the plant in Campbeltown that there are no economic benefits – they would disagree with him. They would also question why, if Murdo Fraser had the chance, he would put in place a moratorium and put the whole lot of them out of a job.

Murdo Fraser: Mr Lyon should listen carefully. I did not say that there was no economic benefit. When Mr Tom Pederson from Vestas-Celtic spoke at the cross-party group on the economy, I quizzed him on the issue and he said that he saw the growth industry for his factory coming from offshore wind farms. There is no question of Vestas-Celtic closing down as a result of our policy, about which I will say more shortly.

The problem is that the renewable obligation certificate system creates a level playing field for different technologies and does not distinguish between them. As onshore wind is by far the cheapest technology to develop, an all-our-eggs-in-one-basket approach is being taken. We must increase the incentives to develop the new technologies, which means disincentivising onshore wind by comparison. The committee's recommendation is that the ROC regime has to be made more sophisticated to try to deal with that issue. I fully support that conclusion.

The second key aspect that I will concentrate on is national planning guidance on the siting of onshore wind farms. Members will recall that I raised the issue in a members' business debate in November of last year. I said that there should be new national strategic guidance as local authorities throughout Scotland were complaining that they were unable to cope with the deluge of planning applications coming in throughout the country and that they felt that they were swimming in the dark to an extent. During that debate I was criticised by members from the coalition parties, including Alasdair Morrison, Nora Radcliffe and George Lyon, for questioning the planning regime. The then Deputy Minister for Enterprise and Lifelong Learning, Lewis Macdonald, said in responding to the debate that the 'framework allows us to meet our aspirations and to maintain the high quality of the Scottish environment.' – [*Official Report*, 6 November 2003; c 3123.]

Time has moved on since then. The number of planning applications has multiplied and communities throughout rural Scotland feel that they are under siege from developers and are facing the prospect of 400ft-high wind turbines on our hillsides.

It is interesting that all those who gave evidence to the Enterprise and Culture Committee's inquiry – whether they were objectors, representatives of local authorities, the Convention of Scottish Local Authorities or power companies, or even developers – agreed that there is a lack of national, locational guidance. The committee agreed unanimously that a national strategic framework for

onshore wind farm applications is required. However, the Executive's response to the report says that it strongly believes that the existing guidelines continue 'to provide a fair and robust method of assessing renewables projects, striking a fair balance between development and conservation needs'.

Given all the evidence that was presented to the committee and the committee's recommendation, the best thing that I can say about that response is that it is very disappointing.

The Executive concedes that the guidance should be kept under review and says that it will publish its review in 2006. That is the equivalent of shutting the stable door once the horse has bolted, galloped over the horizon, found a nice field in which to make its home and died of old age. The current tranche of planning applications – more than 150 throughout Scotland – will have been determined by 2006. All the suitable sites are being snapped up now. We simply cannot afford to wait until 2006, which is why we must have a moratorium on planning applications for onshore wind farms until new strategic guidance is in place, with the important proviso that those applications must have generated a substantial body of objections.

The current rush to develop onshore wind power will have a significant effect on our rural landscape and could have a seriously detrimental effect on our tourism industry. We cannot take a short-term view on such matters. A moratorium would give us an opportunity to pause and think and would allow time for new, national, strategic guidance to be published and for a national energy strategy to be considered, as the committee advocates. There would be no blanket ban on onshore wind, because the moratorium would apply only to applications in relation to which there was a substantial body of objections. That would be for local authorities to determine. Such a moratorium would offer a sensible compromise between competing interests in the field and I call on the Executive to give it consideration.

I have gone over time, so I will close to let others participate in the debate.

Nora Radcliffe (Gordon) (LD): It is my pleasure to open for the Liberal Democrats in a debate on a subject that is close to my heart. The interest that has been generated by the Enterprise and Culture Committee's report of its inquiry into renewable energy in Scotland and the importance of the issue are reflected in the volume of communication that members have received about the matter. Last night I forwarded to committee members and clerks an appreciative e-mail from a constituent who urged me to support the report, which 'shows a balanced and sensible approach to renewable energy issues in Scotland.'

I concur with that. The report's introduction clearly sets out the context in which the debate takes place and outlines why the committee focused on electricity generation, which the report acknowledges is just one aspect of a hugely wide-ranging topic.

Scotland has the best renewable energy resources in Europe. Although there is currently an emphasis on land-based wind power as the best developed available technology – a technology that supports hundreds of Scottish jobs – it is vital for our future economic and environmental benefit that we nurture the development of other technologies. In the immediate future it will be particularly important to nurture the development of the marine-related technologies: offshore wind power; and wave and tidal power. We are currently ahead of the game. The first onshore wave-energy device is in Islay, the world's only marine-energy testing centre is in Orkney, where an offshore wave-power device is being tested, and plans for a deep-water wind farm in the Moray firth are making progress. However, we will have to work effectively to maintain and capitalise on our lead. Other people out there are equally alive to the potential of marine energy resources and are investing in their own developments. Success does not just happen; the right action must be taken to enable it to happen. It will be for us to undertake much of that action, and action taken in respect of renewable energy will come under our remit. However, much of the action must be taken through energy policy, which is a reserved matter and so must be undertaken by the Westminster Government. The report made sensible comments on those matters, particularly on the operation of the national grid. Westminster must play fair with us in the exploitation of the natural resources that we have in abundance and which will enable the UK to meet its targets on the reduction of carbon emissions.

Now that I have mentioned carbon emissions, this is probably the time to say the little that I intend to say about that competitor to renewable energy, nuclear power. I am not paranoid about it, nor am I persuaded by its proponents, and I am prepared to be pragmatic. When the costs of nuclear power are brought down to levels that are slightly lower than stratospheric; when I am satisfied that we can deal safely with the hazardous waste; when the risk factors of a sudden failure of a large single chunk of supply are compensated for; and when the potential threat of terrorist attack is factored in, I will happily embrace nuclear generation as a carbon emission-free source of power.

The report focused on electricity generation, but it highlights that energy conservation must be a key part of energy policy. As the report points out, although a number of initiatives are doing good work, energy conservation is always the Cinderella of the emission-reducing family. If we are to capitalise on the full and significant contribution that conservation can make to emission reduction, there must be a full-on concerted effort to put mechanisms in place, up building and design standards, disseminate information and provide incentives to get us all to be more energy aware and much less wasteful.

The report covers the impact of the renewables obligation Scotland scheme. I emphatically support the recommendation that a similar mechanism is needed urgently to incentivise a wider range of technologies. We need heat as well as light. Furthermore, confidence in long-term support is essential to underpin significant private sector investment.

The final paragraphs of the report deal briefly with the many and varied ways in which we can harness renewable energy sources. Some sensible observations and recommendations are made. In particular, I draw attention to the report's comments to the Executive on supporting the hydrogen sector. When I met David McGrath of siGEN recently, he drew unfavourable and uncomfortable comparisons between what he saw in Japan of support for the development of hydrogen technology and his experience of the support that is available to him in Scotland.

I endorse the report's comments on supporting community ownership of renewable energy projects, which is an issue that I have raised before. Initial measures to achieve that could be put in place quickly and simply. At the individual home level, small is indeed beautiful and more widespread uptake of available technology could cumulatively have a major impact.

There is a great deal of sense in the report. If the Executive takes on board all, or even most, of what it says, Scotland will be the better for it. I commend the report to Parliament.

Maureen Macmillan (Highlands and Islands) (Lab): I congratulate the Enterprise and Culture Committee on its thorough report, which deals with a matter of crucial importance to Scotland, the UK and the world. During the summer recess, I visited the National Grid Transco site at Wokingham along with a member of Scottish Environment LINK. I urge members of the Enterprise and Culture Committee to visit that site if they get the chance because it gives a clear overview, on an enormous computer screen, of power generation and consumption in England and Wales. Scotland will soon be added to that screen when the grids are combined. Scotland already exports electricity to England and we want to export more, which we can do most acceptably and advantageously with renewables.

As the committee report said, if we are to help to cut global warming, we need to use a range of renewables, including wind, wave, tide and biomass energy. Scotland has marine and land sites that are second to none in their potential for renewables and we must play our part in countering global warming. We cannot ignore that as a factor in our decisions, especially when we consider the projected huge increases in carbon emissions from countries with emerging economies, such as China. That is why we have targets to meet and why I, for one, would be happy if we exceeded them.

Onshore wind is already tried and tested; it is natural that electricity companies should consider that first. However, I am appalled at the amount of sheer hatred being whipped up against onshore wind by a minority of people, not just to protect specific scenic areas but to stop any development at all. It reminds me of the outcry in the years after the second world war against hydroelectric schemes, which was of course led by the landed interests. The same arguments were used: that they would spoil the landscape; drive away tourists; and bring unwanted development to the Highlands. I dare say that David Bellamy would have condemned hydro schemes too. Would we prefer now not to have hydro

power? Has a single tourist stayed away from the Highlands because of hydro dams? No, and I do not believe that tourists will stay away because of wind farms either.

Onshore wind power is an important part of our renewables portfolio. It has the potential to bring much-needed revenue to communities. I am deeply concerned that the shenanigans of some loopy environmentalists and shameless nimbys are causing communities to shy away from a major source of revenue. Yes, communities need to ensure maximum benefit for themselves and learn to negotiate with power companies. Yes, we need to encourage communities to develop their own wind farm plans, and I recommend Highlands and Islands Enterprise and Highland Council's booklet on the community toolkit, which helps them to do just that. Community plans are being developed, from Ormlie in Thurso to Kinlochleven in Lochaber. I do not want those disadvantaged communities to be knocked back because of nimbyism and totally misplaced blanket campaigns against wind farms.

Wind farms are not the only renewable option, but they are the most developed one. There is an understandable impatience to make swift progress with marine energy. The north and north-west coasts of Scotland are among the best sites in the world for installing wave or tidal devices. Several marine devices are already being tested – for example, in Orkney – and will shortly be ready for commercial development. I know that there is anxiety over how that transition will be supported. Will marine renewables be subjected to the same vilification as wind farms? There is no way of generating power that does not leave some footprint on our landscape or our marine environment. I recently chaired a seminar on the marine environment, where Simon Pepper of WWF Scotland pointed out the need for spatial planning in the marine environment to cope with renewable energy generation among other things. I totally agree with him. I urge the Executive to put such planning in place quickly. We cannot afford to have a piecemeal approach or a pitched battle over the siting of marine renewables and the associated landfall and transmission infrastructure.

No matter what method of renewable generation we use – in the seas or in the remoter areas of the Highlands and Islands – we have to face up to the fact that the grid needs strengthening. That has spawned campaigns against pylons in the Ullapool area even before proposals are on the table and there are concerns about the massive increase in the size of pylons on the Beaulieu to Denny line. I have every sympathy with those campaigners but we must balance their concerns with the need to deliver renewables to the national grid and find a workable compromise that minimises visual impact without making the proposed wind farms in, for example, the Western Isles uneconomical because of the cost of placing the power lines wholly underground. If we can have a gas pipeline from Norway to Norfolk, why not an undersea electricity cable from the Western Isles to meet the grid at Dounreay? What planning gain or compensation can we offer communities affected by the upgrading of the grid?

The development of renewables is a tremendous opportunity for the Highlands and Islands, just as the hydroelectric schemes of last century were. I wish that the protestors would step back and look at the whole picture. Do the protestors in Perthshire ever stop to think just how many jobs in their area depend on Scottish and Southern Energy? I find the idea of wave and tidal power exciting and the use of biomass is a real alternative to oil-fired central heating in the countryside, whether for single homes or for district heating. I note in passing the investment by the Department of Trade and Industry in the Fort William paper mill to allow it to convert from oil to biomass. Generating power or heat exclusively for our own communities, which is what some wish for, is not sufficient for me. We have a global responsibility and we could make a global impact.

I could say a lot about the need to maximise the opportunities in engineering offered by renewables, particularly in those areas where oil rigs and production platforms were once built, but as I hope to have a members' business debate on that subject after the recess, I will merely flag up the issue now. Suffice to say that the placing of the Talisman Energy contract will be crucial to confidence that renewables can deliver for us in economic terms. Renewables are a huge opportunity for this country – let us not be blown off course.

Mary Scanlon (Highlands and Islands) (Con): I congratulate the Enterprise and Culture Committee on its report and, in particular, on the booklet that summarises its main points, which is very user friendly. It provides easily accessible information and reduces the need for huge piles of paper. I hope

that other committees will consider the use of such a format, if and when appropriate, as a way of giving out concise information.

As other members have mentioned, in a debate on renewable energy and related issues, we should not forget the necessity of addressing the issue of the 60 per cent of our energy that will still need to come from the base-load stations beyond 2020. That debate has to include nuclear power. When David McLetchie and I met the Dounreay management and trade unions recently, it became clear that we in Scotland are world leaders in decommissioning at both plant and academic research levels.

Christine May: Will the member give way?

Mary Scanlon: No.

The North Highland College is taking full advantage of the opportunities that that strategy affords. We have learned that decommissioning and safety issues must be taken into account at the building and planning stage, in preparation for the end decommissioning stage.

Any member who would like a reasoned and balanced view on nuclear power and wind power – the name of Maureen Macmillan, my colleague in the Highlands, springs to mind – just needs to ask the people of Caithness whether they would prefer the jobs, investment and power from Dounreay to the Caithness landscape being covered in wind turbines such as those at Causeymire and pylons that are 70ft higher than those that exist at present.

Chris Ballance (South of Scotland) (Green) rose –

Mary Scanlon: Does the member want to intervene or is he just standing there for the good of his health?

Chris Ballance: Would Mary Scanlon care to say where she would recommend putting the extremely radioactive waste that will be dangerous for many thousands of years to come?

Mary Scanlon: I would be very happy to accompany the member to Dounreay and to North Highland College, where he will be told all the answers. I am not an expert on the subject.

We should also listen to the people of Ullapool and Wester Ross, who are bitterly opposed to the new pylons that will form the grid transmission line from Ullapool to Beaully. The line will run across one of the most beautiful areas in Scotland, which is part of the last wilderness in Europe. Even though the members of the Cairngorms National Park Authority decided that the area should be wind farm free, that decision can be, and is likely to be, overruled by the Executive in its headlong rush for wind farms – especially those with a capacity of more than 50MW, which are the subject of applications under section 36 of the Electricity Act 1989. Even when communities win their battles locally against wind farms, they are still not in a position to match the developers. That was the case in Thurso recently, when the developers flew up three lawyers from London to the pre-public inquiry meeting. Local communities cannot match that.

Alasdair Morgan (South of Scotland) (SNP): I ask the member to forgive me if I am wrong, but is it not the case that, were Dounreay to be rejuvenated and expanded, as I presume that the member would wish, the electricity from it would also need to be taken away using transmission lines?

Mary Scanlon: The reason for the huge expansion of wind farms in Caithness rather than in Ayrshire or in the member's area is that there is spare capacity on the national grid. However, that does not mean that we need to have pylons that are 70ft higher than those that we have at present.

Nora Radcliffe: Will the member give way?

Mary Scanlon: I am nearly finished; I have given way quite a few times.

The Highlands of Scotland are paying a hefty price for wind farms. Each week, I probably receive as much mail as Maureen Macmillan receives – dozens of letters and e-mails – from people who are opposed to the enormous changes that are being imposed on the landscape and environment of their area; that is not to mention the packed surgeries in Ullapool.

The committee's report raises many issues, a few of which I will list. Wind farms have an impact on scenery, wildlife and the environment. The reliability of wind power is highly questionable and there could be an over-reliance on one source of renewable energy. The Executive has failed to provide an energy strategy. There are serious concerns about the 230 giant turbines in North Lewis, each of which is 460ft high and which a local constituent described as 'desecrating the island's landscape for eternity.'

Investment is being diverted from other forms of renewable energy into an unco-ordinated and unbalanced rush towards wind power and, as Nora Radcliffe said, more emphasis on conservation is needed.

Many people have mentioned the local plan. It is probably considered quite clever in planning to call the developments wind farms, but it is wrong. They represent the industrialisation of our countryside, with megatons of concrete under ground and 460ft-high turbines above ground. That is the opposite of working the land and using our natural resources, so, like Mike Watson, I hope that the ministers will respond positively to the recommendations in the report and that they will do better than their disappointing response so far.

Alasdair Morgan (South of Scotland) (SNP): I thank all those who participated in the committee's inquiry, which was so interesting and complex that, every time that a question was answered, it seemed simply to lead to many more. We therefore had to restrict the inquiry's scope somewhat, so we spent a lot less time on overall energy use, other than for electricity generation, than we would have liked. Energy use is obviously important, especially for space heating. I was fascinated by our visit to Lochgilphead swimming pool in George Lyon's constituency, where wood fuel is used in the boiler. The advantage of that is that the CO₂ is already fixated and the fuel is transported only a couple of miles, which saves on petrol emissions.

We also had to spend less time than we would have liked on energy conservation, although it is important. For Mary Scanlon's benefit, I point out that we did not consider the 60 per cent of non-renewable generation partly because that might not have resulted in a unanimous conclusion from the committee. As the Enterprise and Culture Committee, we were interested not only in energy issues, but economic issues for Scotland. On wind power, we have to some extent missed the bus. The 200-plus jobs at Vestas-Celtic Wind Technology Ltd in Machrihanish are very important, particularly in the depressed economy of Campbeltown and the Mull of Kintyre, but it is vital that we do not repeat the mistake that we made on wind power with tidal and wave power. The Executive is supporting research and development in tidal and wave power, but we must keep our eye on that ball so that we drive it forward and become world leaders in that area.

Wind power inevitably took up much of our time. If somebody thinks that wind turbines or wind farms are ugly, nobody will convince them that they are beautiful. That argument is purely subjective, not objective, but many of the other reasons that are given against wind farms are spurious. The argument that tourism is affected negatively by wind farms is often held up, but the committee saw no evidence that that is the case. Unfortunately, some opponents of wind farms take an oppositional stance that brooks no compromise at all; there is no middle path for them.

Murdo Fraser: Does Alasdair Morgan accept that although there is a number of relatively small-scale wind farm developments, we cannot judge what the impact will be on tourism of the new, much larger-scale wind farms that are likely to be constructed and which will have turbines that will be much higher than those that are currently planned?

Alasdair Morgan: I take that point to an extent. I will address the problem of the exaggeration of the number of wind farms. It is clear that not every wind farm development is suitable and we do not want a carpet of wind farms on every spare bit of elevated ground, but neither do we want the totally negative attitude that wind farms are industrial developments – that is the phrase that Mary Scanlon used – that are somehow unsuitable for rural areas. In that context, 'industrial' is used as a dirty word that is meant to trigger a negative Pavlovian response. I reject that argument, because I do not accept that much of Scotland is a natural wilderness that must be preserved unchanged at all costs. Rural Scotland is the product of man's intervention on the land over millennia and we must ensure that it

continues to grow and develop in a way that sustains and nourishes the existing population. There are far too many people who seem to want their house to be the last that is ever built within 50 miles; they also oppose any industrial development that would bring new jobs and encourage other people to live in the area.

There is a real problem with the current planning situation. Those who wish to build wind farms put in far too many applications because they have no way of knowing in advance which applications will be successful or what the likelihood of success is. The local planning departments are overwhelmed with applications – they cannot deal with them. Those who are against wind farms at any price can point to the number of applications, rather than to the number of likely successes, and claim that their areas will be overwhelmed with wind farms. Ordinary people in the middle just do not know what to believe. Local authorities need a more strategic framework, as the committee suggested, rather than the piecemeal basis for decisions that pertains now.

I am concerned that the minister's announcement will not solve the problem. Although the announcement guarantees that when we look at the situation we might reach a more rational and wide-ranging review, the problem exists now, never mind in 2006 or whenever the new guidelines are introduced.

Other renewables will run into the same problems as wind power. So far, there have been very few environmental objections to wave and tidal stations because none has been built yet. Once some are, we will get the objections. As most of the proposed sites are remote, lying off the coast, we will run into the same transmission arrangement problems as we are running into just now in relation to wind farms.

We must find a balance between meeting our energy needs, reducing pollution, maintaining a good environment – which includes our scenery – and revitalising the communities who live in that environment. A sensible resolution to the renewable energy debate is essential if we are to achieve all four of those objectives.

John Farquhar Munro (Ross, Skye and Inverness West) (LD): I am sure that we all agree that renewable energy presents a massive opportunity for Scotland to reduce harmful emissions and to create thousands of jobs in related industries. Currently, 2,000 jobs are directly connected to renewable energy in Scotland, with about 1,200 people employed in the wind energy sector. That level of employment is incredibly significant for rural Scotland here and now, but there remains a vast, untouched economic potential, especially compared with the Danish wind industry, which currently employs 16,000 people, generating £2 billion each year for its national economy.

Both the Tories and anti-wind farm campaigners have demanded a moratorium on wind farms, failing to recognise that many farmers, crofters and communities could benefit from the location of wind farms on their property. Members could ask the people of Gigha whether they regret the benefits that they are set to reap from the construction of three turbines on the island, which are set to generate £50,000 to £60,000 a year for the first five years. That is while they are repaying their loan to Highlands and Islands Enterprise; thereafter, the turbines will generate £120,000 a year. Surely the Opposition is not suggesting that no other community in Scotland would want to embark on such a lucrative path.

However, a topic that is directly related to the construction of wind farms is becoming of great concern to my constituents: the potential construction of a high-power transmission line between Beaulieu and Ullapool and on to the Isle of Lewis. At various public meetings, it has been made clear to me that there will be a negative impact, both on the environment and on tourism, should the vast new pylons be built. I share that view. I recognise the need to get electricity that is generated from renewable sources to the market; otherwise, it is pointless. However, I ask the minister to ensure that before permission for the development of the transmission line is given, other options are considered in a properly costed manner.

Mr Stone: John Farquhar Munro will be aware that the residents of Kinlochbervie and Durness are keen to get a wind farm there. They would very much like the power lines to go rather to the north of the route that the member advocates. Should the minister be thinking about that?

John Farquhar Munro: Yes. The route that is currently being proposed traverses my constituency from start to finish. At present, no other constituency is involved, which is a huge problem. I would be particularly interested if the minister would investigate the cost of a sub-sea cable running from the Western Isles to Ayrshire. That idea was originally promoted by Brian Wilson, the former UK Minister for Industry and Energy. At a meeting on Monday in Ullapool, it was suggested that recent new developments in direct current cables could allow the construction of an underground route without the disruption that is associated with existing buried high-capacity cable technology. I hope that the Scottish Executive will encourage Scottish and Southern Energy to investigate that option fully.

I support the concept of renewable energy, but only where it can be accommodated in harmony with our environment and with the approval of our communities. More support and effort must be directed towards wave and tidal power generation. We have a massive resource to tap and I am sure that many of the inland lochs across the west of Scotland could generate a great deal of energy and electricity in the years to come.

We also need an independent estimate of the grid costs. We simply accept as true the figures that are presented to us because we have no accurate information that would allow us to determine whether they are credible costings. Most important, as we have heard, we need the Scottish Executive to produce a strategic plan and a policy for the benefit of all concerned. That would be of particular benefit to the local authorities, their planning departments and developers who see a potential in wind farms and other forms of renewable energy.

The Deputy Presiding Officer (Murray Tosh): If everyone else sticks to five minutes, I should be able to balance the debate. However, I will not be able to get everybody in.

Mr Alasdair Morrison (Western Isles) (Lab): Like all other members, I congratulate the committee on its thorough inquiry. Its report is a useful contribution to the on-going debate. I also wish my friend the Deputy Minister for Enterprise and Lifelong Learning well in his new role. I remind him that, now that he has left the Environment and Rural Affairs Department, I would like him to return the wellies that I loaned him three years ago.

Maureen Macmillan has already mentioned Tom Johnston in this debate. I assure members that if Tom Johnston were sitting on the front bench in this Parliament, proposing that we generate electricity by building huge dams and diverting millions of gallons of water through Highland glens, he would face exactly the same opposition that Allan Wilson will have to endure as we debate wind farms on land and at sea. Tom Johnston was a visionary. He had the courage and determination to pursue his dream of transforming the Highlands. Today, the incredible structures that he built continue to generate electricity using a renewable source. It is also worth remembering that, during that important era, the money earned put bread on many Scottish tables. That is happening again in George Lyon's constituency with money from the Vestas wind turbine factory in Campbeltown.

We all know the urgency of the need to reduce carbon dioxide emissions. In Scotland, we are well placed to harness wind, wave and tidal resources. We now need to ensure that the United Kingdom Government continues to work in partnership with the Scottish Executive to forge ahead with its plans to ensure that 40 per cent of our electricity is generated from renewable sources by 2020. In that regard, earlier today we heard the First Minister reaffirm his commitment to realign and refresh the planning regime, which will be essential in the context of the wind farms debate. All arms of government must work together to help us to achieve our target, so that we can ensure that generations to come benefit from the environmental and economic prizes that can be won.

Maureen Macmillan has dealt with the illegitimate scaremongering tactics that are used by some, but not all, anti-wind farm protesters. I recognise, as do all members, that some people have genuine concerns about the location of some wind turbines and the proposals that have been made for the location of others. I certainly do not dismiss those concerns, but I hope that no member will ever countenance the more ridiculous claims from the people who Maureen Macmillan ably described as being loopy so-called environmentalists. The most noxious of those claims, which I heard recently, is that wind turbines cause cancer. That is a hugely irresponsible suggestion.

Mary Scanlon: Would the member describe the 88.4 per cent of people in north Lewis who said in a survey that they oppose the AMEC scheme as loopy environmentalists?

Mr Morrison: I have never met a loopy constituent yet, but I have certainly met and heard of loopy environmentalists, one of whom is David Bellamy, who was recently parachuted into Lewis on a 24-hour visit.

I am going to condemn a Mr Hodgson, from whom all members have received e-mails. He holds the British record for the number of anti-wind farm letters to newspapers. He has been responsible for many scare stories, one of the most unpleasant of which is the threat that children might be swept away in an Aberfan-style disaster if turbines are erected close to villages or on moorland. I tell Mr Hodgson and all of his ilk that my attitude to renewable energy will be guided by my constituents' interests and not by scaremongers. I endorse the views of the vice-convenor of Western Isles Council, who strongly condemned Mr Bellamy, and I am glad to see that my friend Angus Campbell is in the gallery today.

The minister is well aware of my concerns about landowners retaining land rights in the event of a community buyout. I know that he shares my passion for land reform and for empowering communities. The Executive must tackle head-on the latest ruse by landowners. If we are legislating to redistribute rights – as we have done through the historic Land Reform (Scotland) Act 2003 – we must ensure that all rights transfer when a community buys an estate. I urge the minister to raise with his colleague Lewis Macdonald that hugely important issue.

I will mention the Arnish yard in Stornoway in connection with the views of Murdo Fraser and of some nationalists such as Christine Grahame, who demanded a moratorium on wind farm developments. Such a moratorium would be a moratorium on jobs and investment. It is obvious that those members want to close the Campbeltown factory and never want the doors of the Arnish yard to open again.

Last, I will utter words that I thought I would never utter on this planet, never mind in the chamber: I urge all members to support the motion in the name of Alex Neil.

Chris Ballance (South of Scotland) (Green): I add my congratulations to the clerks and other staff who had the extraordinary logistical task of organising much of the inquiry and drawing all the evidence together.

I draw members' attention to paragraph 323 of the report, which says:

'Responsibility for the energy we consume, how that energy is generated, the impact it has on society and the climate are key message which must be brought to the forefront of public debate.'

We must be aware of the energy that we use, because any energy consumption impacts on the environment. In conventional electricity generation, we achieve only between 25 per cent to 30 per cent of the calorific value of the fuel. As we saw in Denmark, that increases considerably under combined heat and power systems. In addition to that is the basic energy input to build the power station and the further loss of up to 20 per cent in transmission. That means that every kilowatt of demand reduction by the consumer can have a fourfold impact on the country's primary energy requirements.

Demand reduction and efficiency must be the core of energy policy. The debate must be not just about keeping the lights on; it must also be about turning them off when they are not needed. Energy efficiency helps us to grow our living standards and our economy. The dominance of the Japanese steel industry was based on the fact that its energy requirement was 50 per cent less per tonne produced than that in the west.

The Executive is increasing investment in energy reduction. That must continue and, as the motion says, it must continue to grow – it must increase above the current level. We must consider measures such as utilising the current round of private finance initiative contracts to maximise energy efficiency and build energy efficiency into every procurement contract. We must consider it as part of sellers' surveys, for example, and examine energy audits at the point of sale. Perhaps most important, given

reserved matters, we must lobby Westminster for tax breaks for energy efficiency. We must also stop seeing the big industrial solution as being the only solution. The committee found enormous scope for small-scale, micro and community-owned wind power in cities as well as in the countryside.

Christine May: Will Chris Ballance join me in commending the work of Energy4All, which seeks to promote a co-operative solution to community ownership of sources of energy? Does he hope that its work can be made more widely known throughout Scotland, so that local communities, supported by the Executive, can have ownership of part of those renewable energy sources?

Chris Ballance: Absolutely. Indeed, the report commends Energy4All for the arrangements for the wind farm at Boyndie, which allow community development. We recommend such solutions to the Executive and are rather disappointed that our finding on that was one of the many findings that the Executive ignored in its response. I urge the minister to consider the matter further.

Indeed, much of the response was disappointing. Mike Watson outlined many areas in which there has been no response at all. The committee supported many of the Executive's current measures and targets, but that is why it is so depressing that the response was so anodyne and self-congratulatory. The committee welcomes the Executive's renewables targets and thinks that they will be met. We also agreed unanimously that that means that there will need to be more onshore wind farms. Will the new minister in the post consider the whole report, including its main body, and accept some of those recommendations?

We call for an energy strategy with analysis of whether the system of renewables obligation certificates can deliver marine power developments without extra market support. We need an impartial evidence base to develop such a strategic policy analysis. We also call for the development of hydrogen technology and geothermal technology, and for clear, measurable targets to reduce transport energy consumption. There has been no response to any of those calls. We call for clear targets to reduce domestic heating consumption, but there has been no response to that call either.

We found that 'Government in Scotland and the renewables sector must learn the lesson ... and put in place any additional measures required to ensure that Scotland achieves the ambition' for marine renewables, and I urge the minister to take that on board.

Sarah Boyack (Edinburgh Central) (Lab): I very much welcome the debate. The quality of the Enterprise and Culture Committee's report has already raised the quality of debate in the chamber. The committee should be congratulated on pushing the debate further ahead.

The report is important and has identified key issues. The overarching issue is our need for a mix of renewable energy. It is not good enough to rely on one source of renewable energy. The key issue for the Parliament is not how we get to the 18 per cent target by 2010, but how we build a bridge from 2010 to 2020. How can we reach the aspirational target of 40 per cent and not increase our energy demands at the same time? There are fundamental issues.

Countless members have talked about the fact that marine energy must be part of the process. There is a real opportunity for Scotland, which we must grasp, using the work of the research institutes in Orkney and Aberdeen and the new Pelamis project. Marine energy is hugely exciting for Scotland and we must ensure that the technology stays in Scotland and that we get the benefits, the jobs and the energy that can be produced.

I would have liked the committee to spend more time on other forms of energy. I take the points that Alasdair Morgan made; if the committee was going to get into any of the issues in depth, it had to focus and prioritise. I welcome the work that the committee did, but I would like there to be more debate in future on the potential for micro-renewables and more consideration of solar heating issues, photovoltaic technology, mini wind vanes, biomass, which Alasdair Morgan talked about, and combined heat and power.

Around the world, the technology has been proven, but how to do things in Scotland has not. Other parts of the United Kingdom are beginning to bring the technology into being – for example, parts of London that are part of the mayor's energy plan. Every school, office, house, hospital and all new buildings should make the most of the new technology now; let us not wait until 2010 to start that

work. We have to build on the grant system that has been put in place by the Executive and to learn the lessons.

I welcome the Executive's commitment to renew national policy planning guideline 6 on renewable energy next year. Today's debate has started the discussion. I make a plea for a much higher profile for micro-renewables so that every householder and builder in Scotland knows about them. We need joined-up government and we need building regulations, procurement, the planning system and the Executive's green jobs strategy to kick in so that we do not miss out.

When preparing for the planning review next year, I ask the ministers to focus on capacity and expertise in planning authorities. That issue comes out loud and clear in the report. We need the expertise to deal with all renewables applications, from the micro-scale developments to the larger ones. Before I came here, I used to teach town planners. I did not teach them about renewables developments, because they were not even on our agenda five years ago. We face a huge challenge in getting expertise and capacity into local authorities.

Allan Wilson *rose* –

Sarah Boyack: Does the minister wish to intervene? If he has a good answer, I would love to hear it.

The Deputy Presiding Officer: I ask the minister to speak into his microphone.

Allan Wilson: I was not just stretching my legs. I am interested in what the member said and I readily acknowledge her expertise in the planning field. Does she agree that the advisory group whose establishment I announced today will give us an opportunity to develop the cross-cutting agenda to which she refers?

Sarah Boyack: I was going to welcome the minister's announcement and his appointment as Deputy Minister for Enterprise and Lifelong Learning. I was also going to ask him to continue the work that he has been doing in the environment field and, when he establishes the advisory group, to ensure that it joins up with industry, local communities and environmental groups, all of which have expertise that must be plugged into the debate.

We have some cracking examples of best practice throughout Scotland, but we need to move them into generalised practice. That is the genuine challenge over the next few years. We need to ensure that planning departments have the capacity to debate and negotiate with the RSPB and the Scottish and Southern Energy Group, both of whom have expertise, so that local people have confidence that the issues are being played out in full.

It is important to consider the national framework and the experience of the past five years, but let us not kid ourselves that there will be easy answers – there will always be difficult debates. What we need is confidence that the choices are being considered properly.

Today's debate has been good; let us now proceed with it. Let us consider how we get from the 18 per cent to the 40 per cent – from 2010 to 2020. That work must start in this chamber – parliamentary scrutiny and engagement are vital. I would like the new minister to come back to us on some of the questions that were not answered, because those are some of the difficult issues. We need to focus on them and find answers.

Mr John Swinney (North Tayside) (SNP): I join other members in welcoming the Enterprise and Culture Committee's formidable report, which has given the Parliament an important subject of genuine substance to debate.

I suspect that everyone in the chamber supports renewable energy – everybody has said that. However, if we live in the real world, we must recognise that there are clear problems with public confidence in the current approach to it.

The committee report – quite rightly in my view – highlights the inadequacy of a one-legged strategy that has an over-dependence on onshore wind energy. However, it is of greater importance that the committee offers the Government a constructive approach that not only will secure the Government's renewable targets but, crucially, will command greater public confidence.

I encourage the Government to heed the committee's recommendations and to rebalance its renewable strategy, using other renewable technologies to complement onshore wind. As part of that, I encourage the Government to establish a much stronger national framework for implementing its objectives. Following his announcement today, I hope that the minister will recognise the urgent need to focus the debate on current planning applications and will not kick the issue into the long grass of 2006.

From all the material that members have been sent in advance of today's debate, whether by the RSPB, WWF or other organisations, it is clear that there is a consensus on the need for a stronger national framework to give guidance to local authorities. I urge the minister to take that matter seriously. He should also give consideration to recommendation 33, which states that, in pursuing and implementing a national strategy, local authorities must be very clear about what is expected of them.

The Government must also take account of the fact that, with the congestion of wind farm applications, many communities feel that there must be more clarity in the system. Indeed, in Amulree and Strathbraan in my constituency, four applications to build wind farms within a 10-mile radius have been made.

On the question of joined-up government, the committee has called for the renewables strategy to be broadened to ensure that public procurement gives a nod to sustainable energy principles in best value or public-private partnerships. I have already written to ministers on behalf of Perth and Kinross Council about a proposal to use biomass and wood fuel to power the new Breadalbane Academy, which is a PPP project in a school where my colleague Mr Morgan was educated. There is an undeniably strong case for that to happen in that part of the country. However, as it is a PPP project, it is not practical to apply for the grants that are required to make that happen because the assets must be retained within the public sector. I am not making an ideological point; I am simply asking ministers to give a bit more support in order to resolve the issue. After all, we must ensure that we apply the report's principles to the practice of school construction in our communities and to make a substantial contribution to their energy needs.

The Deputy Presiding Officer: I thank all members who took a reduction in their time.

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): I am the Liberal Democrat member of the Enterprise and Culture Committee and am winding up the debate because I have spent all morning at the very last meeting of the Holyrood progress group. Winding up a debate is rather easier, because one simply listens to the debate and comments on it. At this point, I offer my personal congratulations to the minister not so much on his elevation as on his translation. He did well in his previous job and I am sure that he will do well in this job, minded as ever by a Liberal Democrat member.

I should say, first, that I whole-heartedly endorse Mike Watson's remarks. He was extremely fair in summing up our report and identifying the shortfalls in the Executive response.

We have had a very good quality debate this afternoon; I do not know whether it is the effect of the chamber that has made members rise to the occasion. We heard Allan Wilson's initial remarks on the issue; I pressed him on the matter of hydrogen, to which I will return. Richard Lochhead quite rightly mentioned the vital role of the Talisman project. I salute that project and believe that it could show us the way forward. We also heard from Murdo Fraser, Nora Radcliffe and Maureen Macmillan, who made a spirited defence of wind farms and, along with Alasdair Morrison, invoked the great name of Tom Johnston.

Mary Scanlon made nothing less than her usual impassioned contribution to the debate. Alasdair Morgan made a thoughtful and worthy speech, which is not surprising, given that he is the committee's former convener. John Farquhar Munro again flagged up his problem with pylons in his constituency and then mentioned the concept of the subsea cable. I know that some discussions are taking place about a north coast cable. The point is that although some communities do not want wind farms, other communities do. For remote parts of the Highlands such as Durness and Kinlochbervie, installing a cable along the north and west coast would be manna from heaven. Finally, we had

thoughtful speeches from Chris Ballance and Sarah Boyack, who quite rightly flagged up the issue of microrenewables.

As members know, I have gone on about hydrogen several times in the chamber. The beauty of hydrogen is that it is ultimately sustainable. One simply combines oxygen and hydrogen to make water, which releases the energy and in no way spoils our environment.

Alex Johnstone (North East Scotland) (Con): Does not the member agree that the hydrogen argument is, to some extent, a red herring? Although it is a viable system for storing and transporting renewable energy, is it not actually a renewable energy source in its own right?

Mr Stone: I completely and utterly disagree. I have already mentioned Arnold Schwarzenegger's hydrogen highway. Countries such as Japan and especially the US are pouring money into research because they realise that one day the oil and fossil fuels will run out. I do not think that those countries would be putting quite so much money into hydrogen research if the energy was not realisable. In Aberdeen, the committee saw that work is going on, but we should put more money in that direction. Tavish Scott has spoken about the hydrogen plant that is being developed in Unst; if that can be done in Shetland, surely to goodness we can do an awful lot more on the mainland.

Strong points have been made about fees for planning not going to local authorities when they carry out work on behalf of the Scottish Executive; such points were made clearly to us in Campbeltown. We should continue to press the Executive on that.

I want to pay a personal tribute to my colleagues on the committee and to the clerks. At our away day in the summer after the election, we made a unanimous decision to undertake the inquiry. Very few of us expected quite the weight of detailed evidence that came at us. It has been hard work, but it has been worth while. The clerks and SPICe have worked hard in getting all the witnesses for us.

This Parliament was surely designed so that committees would be the counterweight to the Executive, probing and testing and taking evidence. I think that we have proved something here, and I am rather proud to associate myself with what I consider to be a quality report.

Mary Scanlon: Does Jamie Stone share Nora Radcliffe's concerns on nuclear power, or is he slightly more positive about it?

Nora Radcliffe: I was very positive about it; I just think that the money could be better spent.

Mr Stone: I associate myself entirely with Nora Radcliffe's remarks. Safety is paramount, and I salute the work that is being done at Dounreay on decommissioning. That is cutting-edge work and will provide jobs for our young people in the future.

We have a system whereby a parliamentary committee holds an inquiry and produces a report to which the Executive responds, but then the report might just lie on the shelf. We have to think about how devolution works. Is it right that one thing is said but then the issue just rests? I am not sure. I would like to have the opportunity – in addition to this debate – to respond to the Executive and probe it still further on its response. I thank the Executive for what it has come forward with but, like Mike Watson, I feel that it is not as much as I would have hoped for.

Alex Johnstone (North East Scotland) (Con): I begin by doing what many others have done – praising the committee for the work that it has done on its report. The report is one of the best that we have seen and it will serve an important function in the Parliament. It will be the bedrock and the foundation on which we can build our work on the whole issue of renewable energy and carry out what we all hope will be the successful development of renewable energy policy.

The report is balanced. It takes account of many of the concerns that have been expressed, including concerns that are beginning to develop about energy policy in general. In fact, the report reflects many of the concerns that have been expressed in the chamber by Conservatives over a significant number of years now. The Conservatives support the development of renewable energy but, as I have suggested, we must address some concerns. The report almost acts as an agenda for discussing those concerns.

First, we are concerned about the target of 40 per cent of energy coming from renewable sources by 2020. Our concern is based largely on the fact that we do not know what the target will entail and we do not know how the remaining 60 per cent of our energy, or electricity, requirement will be achieved. For that reason, it is important that we adopt the report's recommendation that there should be a Scottish energy policy that is designed to deliver electricity in the quantity and at a price that will support the continued growth of the Scottish economy; that takes account of the fact that renewables will be significant; but which also takes account of the requirement for a broader range of alternative – or rather, complementary – strategies to renewables.

Christine May: Does the member agree that the report highlights the potential for increasing the renewable element of conventional coal-fired generation, using biomass? Does he agree that that would provide us with considerable scope to increase the amount of generation from renewables to help to cover the 60 per cent that he talked about?

Alex Johnstone: I accept that, but it is important for us to look at the system of renewable obligation certificates to ensure that it is not biased against the practice of adding partially renewable material to coal. I ask the minister to examine that and to use his influence to see whether there are any disadvantages that can be taken out of the system.

Many technologies other than wind should be considered, but because of the targets that the Executive has set, we have put ourselves in a position in which there is a rush towards onshore wind. The demand for some form of national strategic planning guidance has been voiced most articulately in the Parliament by my colleague Murdo Fraser and he continues to voice that demand eloquently. The idea that a moratorium should be put in place causes certain members to raise their hands in horror, but there will be no need for such a moratorium if the Executive delivers national strategic guidance in a timely manner.

The siting of wind farms throughout Scotland is causing grave concern. The fact that many applications are for sites on hilltops – where wind farms would be seen from a long way off and would have the potential to damage the scenery that attracts many of our tourists – causes serious concern to those who rely for their living on the tourist industry, which returns significantly more income in rural areas than any of our traditional industries. Unless we are prepared to deliver guidance, the rebellion in places such as Perthshire will continue. I was slightly disappointed to hear Maureen Macmillan's remarks, which I interpreted as being slightly derogatory about the people of Perthshire who are protesting about the number of wind farm applications. It is they who are having to bear the majority of applications at the moment. I support John Swinney's call for paragraph 33 of the committee's report to be implemented as quickly as possible; the minister should use his influence on that.

If we are to have a viable future as an industrial economy, we must deal with many of those issues. We must develop the alternatives to wind power. The efforts that have been made to ensure that we have opportunities to harness the other renewable technologies – biomass, wave and tidal power – are worth while, but those technologies are not mature.

Maureen Macmillan: Will the member take an intervention?

The Deputy Presiding Officer: There is no time.

Alex Johnstone: I acknowledge a point that has often been made to me in interventions by members of the Green party: energy efficiency is a major part of what we must try to achieve. I believe that our total requirement for electricity in 2020 will be greater than it is today, but if we pursue energy efficiency it will not be as great as it would otherwise have been. If we can find cost-effective methods of encouraging energy efficiency, the problems that we have with electricity generation will not be as great when that time comes along.

I welcome the decision to create an intermediary technology institute at Aberdeen. As I said, the committee's report provides a firm foundation on which to proceed; at the moment, the policy is running out of control and the Executive seems to have turned a blind eye.

Rob Gibson (Highlands and Islands) (SNP): This has been a valuable and wide-ranging debate. The report is an attempt to ensure that we have a national strategy for one of our greatest potentials, which could allow the development of new jobs and incomes for people in parts of the country that were seen in the past as remote. It is important to recognise why people moved in the 19th century to where the coalfields were and where the steel was, and why our population is concentrated there. It is also important for us to recognise that the people who could and should be living in many other parts of Scotland rely on this policy in particular to repopulate many areas that still lose many of their young and their brightest.

Objectors to a national strategy for renewables obstruct our ability to find a means whereby communities might benefit from wind power, not just by receiving compensation from outside companies but by taking ownership of the technology. Through the committee's report, we must find some means of ensuring that local people are given those powers.

As Jamie Stone and others mentioned, hydrogen technology has potential, but we must recognise that the development of such technologies can take place in places that were previously seen as remote. We need to learn from the debates that took place on the development of hydro-electricity, given that many of today's arguments were encapsulated at that time. For example, the Snell report of 1922 finished by stating:

‘But if as we hope and believe, the policy to which this report is a small contribution is to give the Highlands and the Highlanders a future as well as a past and to provide opportunity in the Highlands for initiative, independence and industry, then we consider a few localised interferences with natural beauties a small price to pay for the solid benefits which would be realised.’

With the committee's report, I believe that we can realise those dreams and see off the scaremongers.

I am delighted that the minister has adopted SNP policy by setting up a national forum but, like John Swinney, I want to see the forum beefed up. We are intent on ensuring that all the people who could make a difference are brought together to develop a national strategy.

However, public investment in today's clean technology does not match the levels of investment that were made in hydro schemes and in nuclear energy. We need to learn the lessons that have been pointed out by none other than Sir Ian Wood. The chief executive of the Wood Group has said that, after the oil boom,

‘Such was our Government's haste to get the oil out of the ground as quickly as possible that far too little attention was paid to the build-up of genuine UK oil technology and manufacturing know-how to provide an important new indigenous addition to the UK's falling industrial base.’

The oil developments provided a pitifully small number of industries and we achieved nowhere near the level of presence and influence that we should have had, given our privileged frontier starting position.

Similarly, today, we are at the cutting edge of wave and tidal power. If we fail to invest this time, we could lose the initiative to other countries such as Portugal, which is developing wave power. The Executive must seriously examine the criticisms that have been made about the development of the oil industry and take on board those lessons now. There is insufficient evidence to suggest that its response to the committee's report shows the required sense of urgency.

Chris Ballance: Will the member take an intervention?

Rob Gibson: I am sorry, but I am short of time.

The green jobs initiative and the revenues for local communities should create a positive climate, but those initiatives are mired in planning laws that require behind-the-scenes agreements on community compensation. We need clear guidelines from the Executive that communities should benefit to a far greater extent than has been the case from the development of renewables in their areas. Local communities should also be given the powers to initiate such developments. In our constituency surgeries around the country, we would see people adopt a different attitude if they knew that local people would benefit from such schemes.

We would benefit from having an electricity grid that had the potential to allow power to be generated not only for local use but for export to England and Europe. As other members have highlighted, it is important that we have such a grid in place. The SNP believes that such a development has enormous potential, as it could create the security of energy production that cannot be obtained from gas pipelines in other parts of the world. That is the context in which we should view the policy on Scotland's renewable energy, which could supply English and continental markets with a secure and sustainable form of energy from now until doomsday.

We have not yet heard enough from the Executive about putting power behind renewables by providing the investment that is required. We recognise that the minister has gone some way towards doing that, but we look for much more and will keep under scrutiny the plans that he has started to enunciate today.

The Deputy Presiding Officer: I call Alex Neil to wind up the debate. Mr Neil, can you do it in nine minutes?

Alex Neil (Central Scotland) (SNP): No problem, Presiding Officer.

As this is my first speech to the chamber as the new convener of the Enterprise and Culture Committee, I pay tribute first to Alasdair Morgan, the outgoing convener, for his work. He has been an outstanding convener of the committee, although the task was made easy by the quality of the other members of the committee from all parties. Secondly, I pay tribute to the outgoing clerk to the committee, Simon Watkins, who has serviced it for five years in a very professional way. Simon is one of the outstanding clerks in the Parliament and we should pay tribute to him for the work that he has done. Thirdly, I congratulate my Ayrshire friend Allan Wilson on his appointment as the Deputy Minister for Enterprise and Lifelong Learning. He was previously a member of the Enterprise and Lifelong Learning Committee, so I do not know whether it is promotion for him to become the minister. Nevertheless, I am sure that he will enjoy his new responsibilities.

Informed by the quality of the committee's report, this has probably been one of the best-quality debates that has taken place in this chamber and in the Parliament in the past five years. In my five years as a member of the Parliament, I have never seen a committee report produce such a volume of response after its publication – aided and abetted by the excellent leaflet that was produced for popular consumption – or such a broad consensus, not just in the committee but in the responses from outside to the report's main recommendations. That bodes well for the new politics of Scotland.

Let us examine why renewable energy is so important and the background to the issue. There are three fundamental drivers of the importance of renewable energy. The first is the very substantial increase in the global demand for energy. Last year the worldwide demand for energy grew by 3 per cent. In the Asia-Pacific area, it grew by 6.5 per cent and in China it grew by about 12 per cent. That trend is likely to continue. However, simultaneously with the exponential growth in demand, there is increasing concern about the remaining global reserves of fossil fuels: coal, oil, gas and so on. The third driver is environmental considerations and, in particular, the need to meet the Kyoto targets.

Renewable energy sources provide three fundamental benefits for Scotland, as compared with traditional sources. First, they make a substantial contribution to the reduction in CO₂ emissions and the environmental benefits that go with that. Secondly, they help us to diversify our supply of energy, which is essential in any modern economy. Thirdly, they reduce our reliance on imported energy, which is always good for any country, both financially and in terms of economic security.

Let us be under no illusion about the scale of the challenge that we face, even compared with our European neighbours. Our target, which is ambitious for Scotland, is to have 18 per cent of our primary energy demand met by renewables by the end of the decade. Already three of our European partner countries – Sweden, Finland and Austria – have far exceeded that figure. For Sweden, the figure is nearly 30 per cent, for Finland it is more than 20 per cent and for Austria it is 21 per cent. We have some catching up to do. The committee's recommendations, if implemented, would help us to do much of that.

Christine May: Does Alex Neil agree that we wish to urge the Executive to create a balance between mature and imminent technologies and to ensure that, for the 60 per cent of power and energy generation that we need from other than renewable sources, we do what we can to reduce the harmful effects of conventional technologies such as coal?

Alex Neil: Absolutely. We need two mixes. First, we need an overall energy mix and diversified sources of energy. Secondly, we need a diverse mix within the renewables sector. One of the major points, if not the major point, that came out of the committee's report is the over-reliance on onshore wind energy to try to reach the 40 per cent target.

I will concentrate for the next minute or two on the two areas of the report where there has been criticism of the Executive. First, the committee's report probably reflects Scottish opinion on the Executive's response that it is not in favour of producing a national planning framework for wind farms. The committee does not agree with the extreme position that wants a moratorium on wind farms – and wants no wind farms at any cost – nor with the other extreme that wants the planning system to allow wind farms to be put almost anywhere, willy-nilly. Most people – certainly members of the committee – are, to use a phrase, in favour of the middle way.

As the convener of the committee, I suggest to the Executive that the remit of the new forum that the minister announced this afternoon – which is a welcome development – should be to help shape Scottish planning guidelines for renewables development. I do not think that it says so in the minister's statement, but in the press release that he kindly provided me, the minister states that he hopes that the new forum will meet before the end of the year – that is only weeks away.

As a compromise between the committee's recommendation on the national planning framework and the Executive's position of not wanting to engage in that, I suggest that one of the first jobs – in fact, the first job – given to the new forum should be to examine the need for a national planning framework. That would bridge the gap between the committee's position and that of the Executive and it would allow an objective look at the matter. I hope that it would give the Executive time to take any action that it may deem necessary.

Mr Swinney: Does Alex Neil believe that part of the committee's role might be to revisit the point that he is raising and to determine, in a matter of months, whether the Executive has responded more fully than in its original response to the points that were raised by the committee in its report?

Alex Neil: That very neatly brings me to the second point on which, as was articulated by Mike Watson in his opening remarks, there is a degree of criticism of the Executive by the committee. There is clearly some disappointment on the committee – and, I sense, in the Parliament – that the Executive did not respond formally on a number of issues in its response to the committee's report. I suggest – subject of course to the committee's agreement – that since the minister is new to his role we invite him back to the committee, perhaps some time early in the new year, to give us an update on the areas that were not covered in the Executive's response.

Allan Wilson: As the convener of the Enterprise and Culture Committee will know, I am a great exponent of the third way in politics. I am happy to respond, I hope positively, to the two points that he made. I give him the assurance that it was news to me that there was criticism abroad that we had not responded in detail to some of the recommendations that the committee made. I give the Parliament and the committee the assurance that we will do so in the immediate future. Furthermore, I hope to extend an invitation to the committee to participate in the advisory forum that I announced today.

Alex Neil: On behalf of the committee, I welcome the statement that the minister has made. I hope that we can use that to bridge the gap between the committee's recommendations and the Executive's position.

I will move on in – I hope – trying to build consensus between the committee and the Executive.

The report made three other major recommendations. It identified a need for a Scottish energy policy. Again, there is broad consensus on that. The report also identified the economic benefit of alternative renewable energy sources. As a country, we have not yet done enough to identify the enormous

benefits in exports, jobs and investments that can be derived from renewable energy sources. George Lyon and others have provided local examples of such benefits and we hope that the Executive will give attention to the matter in its green jobs strategy and other policies.

I thank the new Deputy Minister for Enterprise and Lifelong Learning for his suggestion. On behalf of the committee, we look forward to working with him and his Liberal Democrat boss to ensure that Scotland gets ahead in the renewables market in Europe.