

Real responsibility for Holyrood?

First Minister Alex Salmond has commented on the Scotland Bill by saying that the 'far too limited' fiscal powers proposed are a missed opportunity to strengthen the Scottish Parliament and Scotland's economy.

The FM set out The Scottish Government's response to the UK Government's Bill, welcoming the additional powers where there is a consensus for change, but stating that Scotland deserves more than a demand from Westminster to sign a blank cheque for implementation costs of the tax measures.

He said:- "Survey after survey shows that the people of Scotland want significantly more powers for the Scottish Parliament. The Scottish Government wants Scotland to take full responsibility for its own affairs with financial responsibility and independence, so that we can grow the economy to invest in jobs and public services.

"This Bill was a great opportunity which the UK Government has missed. Unfortunately, people will be disappointed by a lacklustre Westminster Bill that tinkers around the edges, retains the key powers in London, and leaves big questions unanswered.

"Scotland needs full financial responsibility to boost our recovery, invest in our public services and support long-term sustainable growth. This Bill falls far short of that – it is 'Calman Minus' which threatens to short-change Scotland.

"The fiscal powers are far too limited, and for the sake of Scotland's economy and public services the Bill needs to be strengthened – either by the Scottish Parliament or the people.

“There are some parts of the Bill that we welcome, where there is a consensus for change which the Scottish Government has been leading – such as devolution of control over air guns, speed limits, and borrowing powers for the Scottish Parliament, albeit too limited.

“A big unanswered question is why the Scottish Parliament is being asked to sign a blank cheque, with the Westminster Government expecting Scotland to pay for the very limited extra powers.

“It is absolutely right that the Scottish Parliament now undertakes a full forensic examination of this Bill, and we will support that process fully. Our aim is to improve the Bill so that it delivers real benefits to the people of Scotland.”

In the Scottish Social Attitudes Survey (January 2010), 69 per cent of respondents favoured significantly more powers for the Scottish Parliament. On tax (59 per cent) and welfare benefits (60 per cent), a majority want the Scottish Parliament to make the decisions for Scotland.

The Law Society of Scotland has called for a stronger relationship between the Scottish and UK Parliaments as it welcomed publication of the UK Government’s Scotland Bill today, 30 November.

The Society believes that a stronger relationship needs to develop through regular and transparent inter-ministerial meetings.

Jamie Millar, president of the Law Society of Scotland, said: “This is a very important bill for Scotland, the Scottish Government and the Scottish Parliament. We are part of the UK and therefore must ensure that there is clarity and good communication between our parliaments for devolution to work and benefit people living in Scotland, whatever the political persuasion of government in either Holyrood or Westminster.

“The Society has been involved in submitting detailed evidence and providing expertise from its Constitutional Law Committee and Tax Law Committee since the Calman review was published in 2008. Michael Clancy, the Society’s director of Law Reform has also been part of the High Level Implementation Group which was set up to work through the tax compliance issues arising from the Calman finance proposals. There remains however a great deal of work to be done following publication of the bill today, particularly to ensure that there is a proper framework for new tax raising powers and financial accountability.”

Alan Barr, from the Society’s Tax Law Committee, said: “Although some of the taxes initially proposed by Calman are not included in the published bill, which will be seen as a restriction on tax raising powers for the Scottish Parliament, stamp duty land tax, income tax and landfill tax remain and will give the Scottish Government substantial powers to vary what Scots pay compared to the rest of the UK.

“Today is just the start of what is an important legislative journey. There is the need for significant further work to ensure that the right amount of revenue can be raised and that it provides a technical system that works, as well as requiring careful consideration of how a ‘Scottish taxpayer’ is defined for the purposes of income tax. Stamp duty land tax (SDLT), which covers commercial property as well as housing, could have a significant economic effect on important sectors of the Scottish economy and the bill could also present an opportunity to make technical and administrative improvements as there have been issues with how the UK SDLT system interacts with Scots Law.”

The Scotland Bill, the result of Sir Kenneth Calman’s 2008 report which made recommendations to enhance the devolution of the Scottish Parliament, also includes provisions for the Scottish Government to control of airguns and set drink drive and speed limits.