

# **Finance Secretary seeks backing from all parties for his budget today**

**Finance Secretary Derek Mackay has urged MSPs to support the Scottish Budget – and the essential investment in vital public services it provides – when it comes before the Scottish Parliament today. The minority government needs some cross-party support to get its budget passed.**



Derek Mackay MSP, Cabinet Secretary for Finance, Economy and Fair Work speaking in the chamber of the Scottish Parliament, Edinburgh during the debate on the Scottish Government's draft spending and tax plans for 2019-20 on 12 December 2018. PHOTO – Andrew Cowan/Scottish Parliament

Speaking ahead of the Stage 1 debate on the Scottish Government's 2019-20 spending plans, Mr Mackay said the Budget proposes a significant additional cash injection for health and education, protecting frontline services and providing the stability and stimulus Scotland's economy needs amid the ongoing Brexit uncertainty.

Is this the budget when local authorities will be given more power to raise their own finances? Certainly, at the briefing

on Transient Visitor Levy on Tuesday afternoon, Council Leader Adam McVey said he was optimistic that the City of Edinburgh Council will be given the necessary powers to raise a tourist tax here in the capital.

When I asked Cllr McVey about the possibility of getting the necessary legislation from the Scottish Government during the media briefing earlier in the week he said to me : "I am always an optimist. I think the chances are high.

"I think there's an opportunity in the budget discussions that are happening right now in Parliament to get a deal which secures Edinburgh this power. I would absolutely encourage parties who are part of those negotiations to vote for a budget that includes a TVL.

"I think that would be a good thing for the city. There are obviously a lot of issues to be resolved around local government finance as a whole. But this policy is on the table now. It is ready to go, pretty much now, and I would hope that the parties who talk about discretionary taxation for local government will take this opportunity."

Mr Mackay said: "Our spending plans for the coming year contain additional money for schools and hospitals, protecting vital public services and investing in our economy, while also providing stability amid the ongoing uncertainty caused by Brexit.

"With that backdrop in mind, there has never been more need for MSPs, of all parties, to act responsibly and not add to that uncertainty. So I urge all MSPs to unite behind the 2019-20 Scottish Budget – that is what people the length and breadth of Scotland expect.

"Our spending proposals provide an increase of almost £730 million for our health and care services, invests more than £180 million to raise attainment in our schools and gives a vital boost to our economy through a £5 billion infrastructure

programme.

“We are investing in essential public services, particularly the NHS, while ensuring that 55% of income taxpayers in Scotland pay less tax than those earning the same income in the rest of the UK. Taken together with the personal allowance, 99% of taxpayers will pay less income tax next year on the same income.

“Since introducing the Budget Bill, I have sought to engage with all parties in order to secure support for our spending plans. We are open to compromise in order to ensure we deliver the Budget that the country expects, and I am confident others will approach things in the same spirit.”

The Greens have already said that they cannot support the draft budget unless they make a change to the way the £42bn is allocated. In particular, they want progress on local tax reform to ensure that councils are better funded. Patrick Harvie, co-leader of the Scottish Greens warned that the party “will not accept the scale of cuts to local services that even his own SNP colleagues in councils around the country are telling him cannot be tolerated.”

Labour finance spokesperson James Kelly said the budget needed a ‘fundamental rewrite’ to protect public service and deliver progressive taxation.

The budget as it stands means a £319m cut to local government while delivering a tax cut for high earners.

**Labour Finance spokesperson James Kelly said:**“Derek Mackay has produced a cuts budget – £319million worth of cuts in funding for local government and cuts in tax for high earners.

“No credible anti-austerity party would ever propose it and all credible anti-austerity parties should vote against it.

“The budget needs a fundamental rewrite, not more tinkering

around the edges.

“That’s why opposition parties should vote down the budget and tell Derek Mackay to come up with a better plan, like a 50p top rate of tax so that the richest pay their fair share.”