

National Insurance rise criticised

Today's employer National Insurance increase will have a significant impact on public services and it will cause economic damage for business, Finance Secretary, Shona Robison, has said.

The estimated cost to organisations delivering public services in Scotland is more than £700 million in 2025-26, with an expected £400 million shortfall in funding from the UK Government.

Ms Robison said: "The UK Government's National Insurance hike is bad for our public services and bad for business. The UK Government is short-changing the Scottish Government's funding for vital services like the NHS and putting business at a disadvantage with this tax on jobs.

"Given that UK Government ministers claim their number one priority is driving economic growth, it is inexplicable that they would take a decision that will impact employers in this way.

"The Chancellor is also yet to confirm the additional funding we have been promised to mitigate employer National Insurance contributions in the public sector, despite the new financial year starting and the policy coming into effect. It is estimated that there will be a £400 million public sector funding shortfall and this will have wide reaching

consequences on the services people across Scotland rely on.

“I share the frustration of organisations from across civic society that the Chancellor is refusing to fully cover the additional costs they face and the dismay of businesses that are facing additional costs in what is already a tough economic climate.

“Coupled with a Spring Statement which balanced the books on the backs of disabled people, the decision-making of the UK Government is bringing back the worst mistakes of austerity and they must take responsibility for the pain that will be caused by their actions.”



Deputy First Minister Shona Robison PHOTO courtesy of The Scottish Government