

Hindsight in reverse - March 30, 2016 by [Rev. Stuart Campbell](#)

Kezia Dugdale gave an interview to Good Morning Scotland earlier today that viewed from above would probably look rather like the runway at Baghdad Airport in 1991.

If we tried to pick out all the individual bomb craters in one post, readers' eyes would glaze over long before the end. So we're going to have to do it in bits.

Things got off to a wobbly start. When asked to explain how Labour would pay for their £78m "Fair Start Fund" to close the educational attainment gap, Dugdale cited her plans for a 50p top rate of tax which she said would raise "between £70m and £110m", the fifth or sixth different figure Labour have given for the policy.

Presenter Gary Robertson challenged **Kezia** on the figure, noting that she'd told Holyrood Magazine last year that the policy could raise as little as zero: Let's just get that answer down in writing. (Our emphasis, and you'll see why.) "I did, in that magazine, and since that point Her Majesty's Revenue and Customs have had a crackdown on people being able to move their tax liability throughout the United Kingdom. And this came up in the TV debate last night, actually. Nicola Sturgeon suggested that she'd never heard of it, which is surprising, really, because Her Majesty's Revenue and Customs gave evidence to this effect to the Finance Committee back in October – it was reported in the Telegraph."

And indeed it was:

The Telegraph

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Taxman targeting wealthy Scots planning English move

HM Revenue and Customs discloses it is planning to clamp down on wealthy Scots changing their residence to England after income tax is devolved to Holyrood.

and that's the end of it. There's no law against moving.

(Interestingly, Scottish income tax will still be administered by HMRC, not Revenue Scotland. So Dugdale is asking people to believe that the UK's tax-collection agency will bust a gut to keep tax money in Scotland, rather than going to the UK Treasury.)

Will Revenue Scotland administer the Scottish Rate of Income Tax (SRIT)?

No. While the Scotland Act 2012 gives the Scottish Parliament power to set SRIT, it will be administered by HMRC as part of UK Income Tax.

The Telegraph article was published on the 27th of October. Dugdale's interview with Holyrood Magazine appeared on the 30th of October.

Dugdale told the magazine that her tax plans might raise zero, then subsequently revised that estimate up by £70m specifically because of an article that she read, er, three days EARLIER. (And which said nothing significant anyway.)

They think you won't remember, readers. But we remember for you.

The story doesn't actually say much. It says HMRC want to stop people "exploiting loopholes" in the system to prevent people moving their liabilities, but doesn't say what it can actually do about it, mainly because there isn't very much. If someone moves to England, or spends the majority of the year there, they're liable for tax at the English rates

Nevertheless, Dugdale specifically cites this rather vague article as being responsible for a whopping £70m change at the bottom end of her 50p-rate revenue estimate. And maybe it was. There's only one small problem.

Better together ... or not!



So another crisis in industry – and again the Government of the day jump to bail out the ailing business and save jobs of the workers ... Oh wait! No! Actually that won't be happening at all – because THIS industry is a manufacturer and not their banking chums.

In fact instead of helping out the steel industry, Mr Cameron and his cohorts delivered a hefty slap in the face to all concerned by importing steel by the tonne from China, where steel is a nationalised industry so profit is not so important. If only steel was a nationalised industry in the UK too ... Oh wait! It was!

So, rather than helping out in their hour of need, our Tory government has hammered what will surely be the final nail in the coffin in the industry by buying from abroad.

In contrast take a wee look at what happened here in Scotland. The Tata Steel plants at Dalzell and Clydebridge were mothballed – waiting for the plug to be pulled. And as it seems to be the thing to do, the Scottish Government stood back whistling and hoping that no one would notice... NO they didn't.

The SNP Government **set up a task force** to see what could be done ... they met with representatives of international metals firm Liberty House ... and they negotiated a deal securing the plants for the future. That is not the end of the story, Liberty House want to expand in the UK. They want to buy over old plants and redeploy them to be able to reuse scrap steel to produce "green steel" for use by engineering businesses.

Something else that came out of the taskforce's work, the Scottish Government took immediate action to ensure that the plants were attractive to potential investors, including committing to cutting business rates. An investment of **£195,000 has also been made by the SNP government to keep key workers on standby** to safeguard full manufacturing capability, ensuring the plant can get back up and running as quickly as possible.

Two similar problems with two totally different approaches to a solution ... which one seems to have the interests of the workers and communities at its centre?

As a final insult, the Chinese Government has announce a purchase levy of 46% on any steel imported from other countries. Not content to take the work from the UK plants, they are making sure that it is next to impossible to sell our product in their country. And this hot on the heels of Mr Cameron vetoing the chance to do the same in the EU. Aye better together ... sure we are ... sure!

What about the secret deal signed by the SNP "The memorandum of understanding signed with SinoFortone relates to exploring investment opportunities in Scotland. "No investment has been confirmed - any investment in any specific project would of course be confirmed publicly in the normal way." **No Deal**

SNP Support Scotland - April 1st marks the day that many policy changes come into force, as a result of the Scottish budget passed by the SNP Government and the UK budget passed by the Tories. It also marks the day that tax hikes proposed by Labour and the Tories would have come into effect - but were blocked by the SNP. Here's what you need to know about the benefits that the SNP is delivering for households across Scotland, the support the UK Government is removing, and the tax hikes Labour and the Tories are intent on imposing.

The SNP is delivering a range of key benefits to help households. On the first day of the new financial year, here are the policies being protected by the SNP's 2016/17 budget, which Labour and the Tories voted against.

- Free prescriptions, saving someone with a long term condition a minimum of £104 a year
- Protecting free personal care for our older people, saving individuals an estimated £13,000 per year
- Council tax freeze for the ninth successive year, saving the average Band D household £1550 since 2008 (no detriment to Councils, they have been overfunded for CT freeze)
- Basic rate of income tax frozen, protecting the low paid from Labour plans to increase taxes
- Continuing the £30 a week Educational Maintenance Allowance for young people, benefitting over 50,000 young people
- £52m of investment in the independent living fund – scrapped by the Tories in England, but offering vital support to disabled people in Scotland
- Higher Education based on the ability to learn not the ability to pay
- The Tories and Labour want to hammer households with tax-hikes.
- The Tories want to introduce hidden taxes on health and education.

At the STV leaders debate earlier this week, Nicola Sturgeon forced Ruth Davidson to admit to her plans to put a £6,000 price-tag on university education and introduce an £8.40 charge for prescriptions, matching the price the Tories have introduced in England today. Meanwhile, Labour plan to hit 2.2 million basic rate taxpayers, including 500,000 pensioners, with a tax rise – and have abandoned plans to provide a £100 rebate to low-earners.

In contrast, the SNP have frozen the basic rate of income tax for the coming year, preventing low income households being hit by Labour's tax hike. **Meanwhile, the Tories in Westminster are cutting basic social security entitlements.**

A number of changes to benefits made by the UK Government come into effect today, including a four-year freeze on working-age benefits and cuts to the 'work allowance' which will hit the incomes of those in receipt of Universal Credit. The work allowance is the amount an individual or their partner is able to earn before Universal Credit is affected. A cut in work allowance means less income for working families.

The SNP have pledged to take a different approach to social security if re-elected – putting fairness and dignity at the heart of welfare. Although too many powers that affect the low-paid, disabled people and the unemployed remain in the hands of the Tories, we will use the powers devolved through the Scotland Bill to take a distinct approach.

Gordon MacIntyre Kemp from Business for Scotland has compiled a list of Better Together's broken/failed promises to Scotland, we will be covering them over the next three issues.

Better Together's broken promises open the door to Independence. Nicola Sturgeon has announced that from the summer the SNP will start to campaign to build support for independence. Many media outlets and Unionist politicians expressed surprise. Hold the front page "political party refuses to drop the policy that guarantees majority government". On June 24 we will know if Scotland is once again on an independence referendum footing but we will still have to wait for the trigger of a sustained 60 per cent support for independence to start the ball rolling.

One of the problems the 2014 Yes campaign had was that it was relentlessly positive and missed the opportunity to highlight the dangers of continued Union. I am not saying Yes should have run a "Fear the Union Project" but a realistic analysis of how Westminster's distant, disinterested and dysfunctional attitude to Scotland holds our nation back would have helped. Fortunately that is easier to do now as the No Campaign provided us with a long list of false claims and broken promises:

1. Renewables subsidies – Ed Davey, the then UK energy secretary, said: "Scotland could lose billions in renewable energy subsidies with a Yes vote and would put our green energy revolution at risk". Davey claimed that 33 per cent of UK subsidies for wind, wave and tidal projects (£530m a year) came to Scotland and so independence would 'slam the brakes on wind farm projects'. Now drastic cuts to the public funding of onshore wind-farms have been announced which Renewables Scotland claim could reduce Scotland's economy by £3 billion.

2. Carbon capture – Davey also claimed the vital climate change project at Peterhead would be endangered as he signed a deal with Shell and Scottish and Southern Energy. However, after the referendum, Westminster pulled its promised £1bn of support and the project failed.



Scotland's EU membership not looking so secure with a No vote to independence now.

3. EU membership not secure! – David Cameron claimed that the only way to protect Scotland's EU membership was to reject independence

No campaign spokespeople parroted the phrase "EU membership only guaranteed with a No vote". Now we have polls in England showing that the EU referendum is too close to call while 60 per cent of Scots plan to vote Stay. Right-wing, separatist, British nationalist and often racist, anti-European sentiment will now decide Scotland's membership of the EU as Scottish votes will not be enough to influence the result unless England's vote is within one per cent.

4. Labour's majority promise – Labour who led the No Campaign claimed that not only would independence "consign the rest of the UK to permanent Tory rule" but that a Labour Government would sort out Scotland's problems. Labour lost by a mile and the Tories won a majority just as I had predicted on this site in 2013. Once the EU referendum is over, Ukip will disappear and their votes will mostly go back to the Tories and England, it seems, will continue to quite happily consign themselves and Scotland to permanent Tory rule.