

Sturgeon knew EU membership could ruin currency plan

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14 Apr 2017



The release of secret SNP documents suggest they deliberately misled the public in their 2014 whitepaper on independence – because they knew the EU could trash their plans.

The 2014 whitepaper repeatedly said an independent Scotland would keep the pound and use the Bank of England as its central bank, with a Scottish Monetary Institute (SMI) created to work under the Bank. It also said that an independent Scotland would be a member of the EU.

But a Freedom of Information request has revealed the details of a proposed SMI, and that the SNP knew that their plans could break EU rules.

Countries joining the EU have to sign up to the full body of EU law. This includes the requirement for all member states to aim to adopt the Euro.

Under a heading of 'hot issues' that could cause problems, the paper admits one such issue would be *'Continued use of Sterling and the EU requirement for new member states to aim for convergence to adopt the euro. Role of the SMI will depend on negotiations with the EU.'*

The EU joining criteria also includes the requirement for member states to have their own, independent national central banks.

The paper recognises this might ruin the SNP's proposals, stating *'This would require negotiation and agreement with the EU, should Scotland be required to have a separate central bank the functions of the SMI can be expanded to fulfil the requirements.'*

The paper also reveals that:

- The EU may have opposed the SNP's plans for an independent Scotland to keep using the Bank of England for wider roles, such as guaranteeing deposits and regulating banks.
- The traditional system of Scottish banks issuing bank notes may have ended, with one option being 'to consider the introduction of a single Scottish issuer.'
- The recruitment of a governor of the institute was 'being undertaken' at the time of the paper's writing and was due to be complete by September 2014.

- The institute would have an estimated running cost of up to £50m and a staff of up to 400 people, spending £60m on consultancy fees, and face total transition costs of up to £69m.

Scottish Conservative shadow finance secretary Murdo Fraser MSP said:

"This is an astonishing revelation. At the same time as Nicola Sturgeon was confidently preaching that we could keep the pound and share the Bank of England's functions, she knew the EU could ruin those plans.

"The SNP can't even confirm whether they want to be part of the EU any more. If this is the level of their attempts to face two ways, then no wonder.

"Not only that, but their plans for a separate Scottish Monetary Institute would be extortionate, with hundreds of staff needed even if the Bank of England maintained responsibility for a 'large' number of functions.

"Given how damaging these documents are, it's not surprising that the SNP Government covered them up for years and ended up releasing them on Easter weekend.

"We already knew the SNP's economic plans were built on sand. Now we have clear proof they were actively misleading the public."

The full FOI release can be found here:

<https://beta.gov.scot/publications/scottish-monetary-institute-foi-release/>

Under a heading of 'hot issues', the paper admits one such issue would be *'Continued use of Sterling and the EU requirement for new member states to aim for convergence to adopt the euro. Role of the SMI will depend on negotiations with the EU.'*

It goes on to explain that *'New Member States are also committed to complying with the criteria laid down in the Treaty in order to be able to adopt the euro in due course after accession.'*

The EU joining criteria includes the requirement for member states to have their own, independent national central banks, and the paper recognises this might ruin the SNP's proposals, stating *'The Treaty of the Functioning of the European Union sets out requirements for each country's National Central Bank. Under the proposed framework the Bank of England would continue to operate as the central bank for Scotland. However this would require negotiation and agreement with the EU, should Scotland be required to have a separate central bank the functions of the SMI can be expanded to fulfil the requirements.'*

With regards to staffing costs, the papers state:

'A significant number of staff would be required for the negotiations with the UK and for establishing the SMI. Based on the current transition plan, with the Bank of England retaining responsibility for a large number of functions it is estimated that from 2017-18 onwards between 300 and 400 staff would be

required. If no agreement is reached with the UK government and the Bank of England does not undertake a large number of central banking functions on behalf of the SMI, then the remit of the SMI would need to be significantly expanded and the number of staff required would be considerably larger – in addition these staff would need to be experts with international reputations recruited from other central banks, the remuneration packages required to attract such individuals are likely to be expensive.'

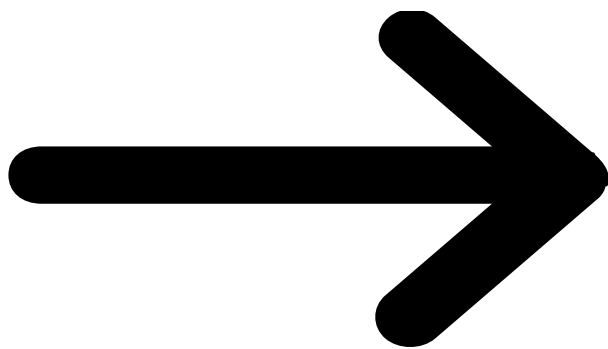
With regards to the issuers of bank notes in an independent Scotland, the papers say:

'[one option would be] To consider the introduction of a single Scottish issuer (to replace issue by commercial banks). The Scottish Monetary Institute would then be responsible for both management and issue of banknotes, with backing assets held at the Bank of England

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4 Apr 2017



The Scottish Conservatives have welcomed the news that a major new film studio looks set to receive planning permission after ministers said they were minded to approve it.

The decision about whether to give the go ahead on the proposed £55 million Pentland Studio on the outskirts of Edinburgh had been with the Scottish Government for months, despite all funding being in place.

But developers received notice from the Scottish Government's chief planner that ministers were intending to approve the application, subject to conditions and the completion of a planning obligation.

One of these conditions related to improving infrastructure on the Edinburgh city by-pass, but if completed it would provide Scotland with a world class 96-acre site with a water stage and six sound stages.

The latest instalment of the Avengers franchise recently began filming in Edinburgh, but not all of the filming can take place in Scotland due to the lack of a world leading film studio.

It is hoped that once completed, the new facilities could attract more programmes to be shot in Scotland, and help retain industry expertise.

Scottish Conservative culture spokesman Jackson Carlaw, who recently raised the matter of studio capacity at FMQs, said:

“Having dragged their feet for months I’m delighted that the Scottish Government has seen sense and decided to give this project the go ahead.

“Provided that the conditions of the approval are met, this should provide Scotland with an international, world leading film studio complex.

“I have no doubt that this will help attract major film and television productions to Scotland, and finally allow us to match and exceed facilities elsewhere in the UK.

“It will also give us a real opportunity to develop and nurture creative arts skills in Scotland, and give us the ability to retain talent rather than see it go elsewhere.

“Once finished, this new development will see us have a capacity and talent base to match the unrivalled variety of our natural landscape locations.”

The Scottish Conservatives urged the SNP to approve the application back in January:

<http://www.scottishconservatives.com/2017/01/ministers-must-reveal-fate-of-55m-film-studio/>

[Backbench SNP MSP goes rogue on the NHS](#)

3 Apr 2017



An SNP MSP has taken the unusual step of launching his own plan for future of the NHS – despite having no involvement in his party’s health set-up.

Alex Neil, who previously occupied the role of health secretary, unveiled his strategy today through the organisation Options for Scotland.

In it, he acknowledges that the longer-term challenges facing the health service have been “swept under the carpet” and suggests a range of solutions.

However, his event doesn’t appear to have the backing of either the SNP nor the Scottish Government, even though Mr Neil is a member of both.

The launch release makes no mention of current health secretary Shona Robison.

This is the latest example of Mr Neil contradicting both SNP and Scottish Government policy, after he admitted voting for the UK to leave the EU last year.

Scottish Conservative shadow health secretary Donald Cameron said:

“It appears Alex Neil is so dissatisfied with his own government’s running of the NHS he deems it necessary to go his own way on the matter.

“SNP HQ will be furious that he is trying to sideline the health secretary on this one.

“People will wonder why on earth an SNP backbencher is taking it upon himself to do this.

“His pleas internally have obviously fallen on deaf ears, and now he is taking his own agenda to the wider public.

“There’s no question that the NHS in Scotland needs substantial review, and many of these points are worthy of consideration.

“But as long as the SNP prioritises the break-up of Britain over the running of the NHS, no real improvements will take place.”

For more on Alex Neil’s plans, visit:

<http://www.optionsforscotland.com/2017/04/03/a-stimulus-for-a-national-debate-on-the-nhs/>

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- SNP spin on income tax rates 'astonishing'

3 Apr 2017



The Scottish Conservatives have accused the SNP government of "blatant spin" after ministers today described their decision not to pass on tax cuts to thousands of Scottish workers as a sign of "fairness and equality".

In a press release heralding new Scottish rates of income tax, finance secretary Derek Mackay also claimed that his decision – which will drag more workers into the higher rate of income tax – would make Scotland "an attractive place to live and work".

This is despite the fact that business leaders have warned that higher rates in Scotland could create a "dangerous precedent" for the Scottish economy.

Following pressure from the Scottish Greens, the SNP government decided last month to freeze the higher rate of income tax at £43,000.

By contrast, in the rest of the UK, the threshold for the higher rate will rise this week to £45,000.

Scottish Conservative shadow finance secretary Murdo Fraser said:

"Even for the nationalists, this blatant attempt to spin the SNP's tax plans is astonishing.

"The truth is that, later this week, tens of thousands of families elsewhere in the UK will get a long overdue tax break.

"But, thanks to the actions of this SNP government, families in Scotland earning the exact same in their pay packet will be denied it.

"Instead, many police officers, teachers and senior nurses will continue to be dragged into the higher rate of tax.

"Derek Mackay's claim that this provides 'fairness and equality' for people in Scotland suggests the SNP has finally gone through the looking glass.

"Nicola Sturgeon's decision to make Scotland the highest-taxed part of the UK is utterly unnecessary and unjustified.

"The fact that her government is resorting to spin in order to hide the fact suggests she knows it too."

The full Scottish Government release is here from today is here:

<https://news.gov.scot/news/scottish-income-tax>

Scottish Chambers of Commerce reaction to the SNP budget is

Sturgeon would struggle to pass the salt – never mind pass a bill

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2 Apr 2017



Nicola Sturgeon's SNP Government is set to become the first administration since devolution not to have passed a single substantive bill in the year following their election, new figures show today.

In further evidence of how she has ignored the day job in pursuit of a 2nd referendum on independence, Ms Sturgeon's government's only legislative act so far since last May's election has been to pass a Budget – a legal requirement.

By this point in the parliamentary cycle, both the 1999 and 2003 devolved governments had passed four bills.

By contrast, this SNP Government has spent a total of 43 hours debating either Brexit or Independence – and has delayed its flagship education bill.

It comes as Nicola Sturgeon plans to step up her focus on constitutional politics, by threatening to derail Brexit legislation, and outlining further efforts to stage a second referendum.

This is despite the fact that said that education would be “number one priority”.

Scottish Conservative chief whip John Lamont said:

“The SNP once said of its opponents that they wouldn't be able to deliver a pizza, never mind a parliament.

“That turned out to be wrong. But now they're in charge, it seems Nicola Sturgeon would struggle to pass the salt, never mind pass a bill.

“It is a disgrace. Nicola Sturgeon promised to prioritise our children's education. Instead, she's dumped that pledge in order to focus on the SNP's only priority – splitting our country in two.

"She has become a part-time First Minister, and full-time nationalist activist.

"Instead of a competent government, we have a chaotic administration which has back-tracked on education, u-turned on the economy, and put up taxes on job creators.

"The threat of a second referendum will further damage Scotland's reputation. It is time Nicola Sturgeon got back to the day job and delivered."

LEGISLATION PASSED IN SCOTTISH PARLIAMENT SESSIONS

Bills passed by the Scottish Parliament (completing Stage 3) by the 1 April in the year following a Scottish Parliament election. Dates included are of Stage 3 completing rather than Royal Assent. Budget Acts are not included.

Following 1999 election

Mental Health (Public Safety and Appeals) (Scotland) Act 1999	8 September 1999
Public Finance and Accountability (Scotland) Act 2000	1 December 1999
Census (Amendment) (Scotland) Act 2000	15 March 2000
Adults with Incapacity (Scotland) Act 2000	29 March 2000

Following 2003 election

Education (School Meals) (Scotland) Act 2003	11 June 2003
Robin Rigg Offshore Wind Farm (Navigation and Fishing) (Scotland) Act 2003 [Private Bill]	26 June 2003
Primary Medical Services (Scotland) Act 2004	18 December 2003
Vulnerable Witnesses (Scotland) Act 2004	4 March 2004

Following 2007 election

Abolition of Bridge Tolls (Scotland) Act 2008	20 December 2007
Graduate Endowment Abolition (Scotland) Act 2008	28 February 2008

Following 2011 election

Offensive Behaviour at Football and Threatening Communications (Scotland) Act 2012	14 December 2011
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