

SNP has union to thank after £1bn black hole exposed

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The SNP government is being bailed out by Westminster to the tune of more than £700 million after overseeing a slump in Scotland's economy.

It was confirmed today that tax revenues here were almost £1 billion less than expected in 2017/18, after the SNP embarked on making Scotland the highest-taxed part of the UK.

However, under a risk-sharing agreement, the UK Government will offset that shortfall by £737 million, meaning ministers in Holyrood still need to find more than £200 million to plug a hole in the Scottish budget.

The dip in tax receipts is due to Scotland's economy performing worse than the rest of the UK, with growth and productivity continuing to lag, as they have done continually since the SNP came to power.

And now that Scotland's budget is more heavily dependent on economic performance following the devolution of more powers, it means a black hole has emerged.

The nationalists will now have to fill that by hiking taxes again, slashing public services or increasing borrowing.

Incredibly, finance secretary Derek Mackay said the revelations showed that his SNP government needs more, not fewer, powers.

Scottish Conservative shadow finance secretary Murdo Fraser said:

"It seems the more powers the SNP gets, the more of a mess it makes of Scotland's affairs.

"Yet Derek Mackay's excuse for these failings is that he needs even more controls.

"This exposes the cost of having an under-performing SNP government which is overseeing sluggish growth and poor productivity.

"Thanks to that incompetence, public services may have to be slashed to the tune of £200 million, or Scottish taxpayers will face even more raids on their pay packets.

"Delivering more powers to the Scottish Parliament should have been a huge opportunity for ministers to boost our economic fortunes. But instead, the SNP has squandered them.

“Fortunately, the benefits of being part of the UK mean that this underperformance by the SNP government can be compensated for by Westminster.

“Perhaps the SNP should acknowledge that and be thankful for the union, instead of trying to tear Scotland out of it.”**E**