

Scotland must live within its means instead of relying on English taxpayers

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Scotland spends more than it earns

Public spending in Scotland in the last financial year totalled £68.6 billion. Taxes levied in Scotland amounted to just £53.7 billion, a difference of some £15 billion. Were Scotland an independent country, it would have a budget deficit of around 10 per cent of GDP, among the highest in the world. But Scotland is not independent and these are just figures compiled under the so called Government Expenditure and Revenue Scotland (GERS) statistics. They were introduced by the Conservatives in the 1990s before devolution to demonstrate the importance to Scotland of continued membership of the UK. Never has the point been made more starkly.

In a Union, it should not matter that one constituent part has higher spending and lower revenues than another. Fiscal transfers from wealthier to poorer areas are crucial to national and social cohesion. However, the Scottish National Party does not wish to be part of this Union, even though the Scottish people voted two years ago to stay in. There have been mutterings from the SNP about a second referendum following the UK-wide decision to leave the EU because Scotland voted to remain. But the GERS figures show this to be utterly fanciful. Scotland could not survive on its own, certainly not with the levels of expenditure it has now.

The case for independence was predicated on tax revenues from North Sea oil, but Scotland's share of these fell by 97 per cent to just £60 million in the last financial year. There is no realistic prospect that Scotland would now seek to turn its back on its main export market. Moreover, to get its public finances into the necessary condition to join the EU as an independent nation, as the SNP promises, would require austerity measures that the nationalists would never contemplate.

While sharing resources is fundamental to the Union, the Scottish government, with its new fiscal independence, has a responsibility to live within its means. While there may be pressing social reasons for spending much more per head than in England, political promises by the SNP must take account of their impact on taxpayers elsewhere who do not benefit. This can best be achieved by boosting revenues through economic growth; but the SNP's policies are unlikely to provide it. Having governed for nine years, the nationalists must accept that Scotland's problems are their creation, and fixing them is their responsibility.



It's her job to sort out Scotland's finances