



David Watt, Executive Director of the Institute of Directors (IoD) Scotland submitted the following comment to The Scotsman calling on a wide ranging civic debate around future powers for the Scottish parliament (7th June 2010)

One thing which Scottish business people - and the organisations which support them - believe completely is that we all need to work in unison to foster long term economic recovery. Working together is the only way to achieve sustainable economic growth for Scotland while also contributing to the wider prosperity of the UK.

Clearly, business has the prime role in delivering such economic recovery and continued growth, however to achieve that, it's paramount that Government also has and uses the appropriate levers required to facilitate an environment from which such growth can flourish.

In that respect we require a robust debate on exactly how this might happen north of the Border and now is the time to have it. We need to seriously examine the potential of any changes which might impact (positively or negatively) on our economic performance and to consider closely what the implications would ultimately be for Scottish business and our wider economy.

The recently launched campaign for additional fiscal responsibility at Holyrood - or "devolution plus" as some commentators have dubbed it – requires us all to get involved in such a debate. A debate not merely limited to the business community alone but involving much wider aspects of Scottish civic society. It is certainly a major matter of importance – probably determining our taxation setting for many years to come, some believe a generation – and it is vital that it is not just decided by the political classes without genuine reference to the real growth generators.

With legislation around this issue due before the Westminster Parliament in late autumn of this year, time is now pressing and this should focus minds among the Scottish business community and others to get them started in leading discussions within a wide range of settings and client groups. In short, we should all support a wholesale, interrogative civic debate on the ramifications of increased powers for Holyrood, particularly around the contentious issues of tax raising and what that would ultimately mean for the nation's economy.

The Institute of Directors has some reservations about the potential for some of the changes which might be proposed, especially those which might lead to additional industrial costs; however, equally our organisation has always had a problem with a parliament which simply spends money and does not have any accountability for raising it. Going into next year's elections it would be nice to be in a position to vote for politicians who had real control over Scotland's economy and the significant levers which help it thrive and also for at least an element of how they raise as well as spend money.

Quite simply, now is the right time to develop these thoughts and drive forward a set of solutions which can help the private sector and the wider Scottish economy grow.

It is early days, however, the new coalition government in Westminster appears keen to adopt the recommendations of the initial Calman report regarding the future role of the Scottish Parliament. A number of things have moved on since Calman's final report – amongst them the significant deepening of the recession, a UK election bringing a fresh political approach in Downing Street and a new attitude to devolved governments; not to mention the new coalition's likely taxation policy.

There is now a small window for reasonable and thorough debate and discussion before everyone dives off into another election campaign ahead of next year's Scottish elections.

This means we need to discuss and debate the issue now; examine all crucial aspects in detail and consider the possibilities it presents. Moreover, central to that debate must be the voice of Scottish business – large and small. Business growth is after all ultimately what will get us out of recession and drive our future economic growth and continuing prosperity.