

SCC Comment on Scottish Government's U-Turn on Air Departure Tax

Commenting on the Scottish Government's announcement to scrap the reduction and abolition of Air Departure Tax, Liz Cameron OBE, Director & Chief Executive, Scottish Chambers of Commerce, said:

“The Scottish Government have performed an alarming u-turn on their promise to abolish Air Departure Tax, abandoning their long-term commitment to Scotland's business community. Despite years of consultation with Scottish industry and detailed technical and economic evaluations that prove this measure would act as an economic enabler and create jobs in Scotland, this decision will have a significant and deleterious impact on the Scottish economy.

“This decision will do nothing to reduce emissions. Instead, it will cut Scotland off at the knees in terms of connectivity and a competitive playing field. Without world-class transport connections, Scotland's efforts to trade internationally will be hampered at a critical point in time where the need to boost our exports has never been greater.

“Likewise, failing to bring aviation taxes in line with other European regions will diminish the benefits that tourism brings to our economy. Tourism is an important employer in Scotland and its success also creates and maintains jobs in every sector of the economy. This is an additional tax which not only targets businesses who rely on getting their people and goods to customers, but also targets wider consumers and communities in every part of Scotland.

“We welcome the efforts the aviation industry and others have made to dramatically reducing CO2 emissions and this progress is continuing. We applaud the Scottish Government's commitment to moving to net zero emissions more quickly than the rest of the UK and recognise the urgency of the issues facing the earth's delicate ecosystem.

“The Committee on Climate Change has outlined how Scotland and her land, for example, forest development, will play a significant and even outsize role if the UK is to prevent climate change. But we must also ensure that we are not economically hamstrung in the race to meet increasingly stringent emissions targets. There needs to be a balance and an effective, qualitative, dialogue with business and the wider community. We would urge all political parties to reconsider and reach a balanced judgement.”