

It all adds up to a more successful Scotland – Spring 2013

What will independence give us?

A better future that suits our needs and circumstances. Why? Because the best people to make decisions about Scotland's future are the people of Scotland. Over time we will take decisions on our economy and society that are better designed for Scotland's circumstances and better reflect people's priorities. This means, year after year, we will make Scotland a better place to live.

Can we afford it?

Yes, we can certainly afford to be independent, given all the underlying strengths we have in our economy. In fact the question should be, given all we have as a country, why isn't life easier for families like yours?

- ✓ **Scotland is a wealthy country** – taking all our national wealth, Scotland is the 8th richest country in the world in terms of wealth per head of population. With independence the benefits of this wealth would be felt more directly.
- ✓ We make up 8.4% of the UK's population and in **2011/12 we generated 9.9% of UK taxes but received only 9.3% of UK spending**. This included our share of UK debt payments, defence spend and the net cost of the bank bailouts.
- ✓ This means **Scotland's financial position is stronger than the UK's as a whole** – to the tune of £4.4 billion, or **£824 per person**
- ✓ Through different decisions, just think how an independent Scotland could use **£163 million saved each year by scrapping our existing nuclear weapons**, (£250 million if we include the cost of new nuclear weapons).
- ✓ The latest Scotland Act gives the Scottish Parliament control over only 16% of the economic levers to improve our country - while **independence would provide control over 99% of economic levers and tax powers**

Where will our wealth come from?

Scotland, will be able to use our vast natural resources, our highly skilled population, our own tax base and strengths like our international reputation to build a more prosperous future. We have what it takes to prosper as an independent country and can share that wealth more fairly so families like yours feel more financially secure.

- ✓ Scotland is the EU's largest oil producer, with **more than half the value of North Sea Oil and Gas still to extract**. Oil and gas reserves are expected to contribute over £48 billion in tax revenues over the next 6 years. Under international law, **Scotland accounted for 96% of UK offshore oil production and 52% of offshore gas production in 2011**. Remaining reserves are **worth up to one thousand five hundred billion pounds** in wholesale value
- ✓ We could **establish an oil fund like Norway**, currently worth around £450 billion - more than £90,000 per person and more than 6 times the UK cash bailout of RBS and Lloyds. This would give us a massive safety net for the future.
- ✓ And building for the future, **we have 25% of the EU's potential for offshore wind and tidal energy, and 10% of wave power, altogether worth up to £14 billion each year by 2050**
- ✓ Then we have the **whisky industry** with exports worth £4.2 billion - 23% of the UK's food and drink exports, **the food and drink industry** worth £10 billion, with fish and aquaculture Scotland's largest food export, **tourism** which generates over £5 billion and 200,000 jobs, the Scottish **construction industry** worth around £21.4 billion annually and **agricultural** output worth £2.7 billion and 11.4% of UK total agricultural output
- ✓ And we have Scottish ingenuity – **for our size we have more highly ranked Universities than the UK, the US or Europe**. Good ideas generated by Scots and Scotland have changed the world around us and will continue to do so

Our relationship with the rest of the UK?

The ties of family and friendship and trade with our neighbours will continue, strengthen and prosper including, under the Scottish Government's plans, continuing to share the Queen as Head of State. We will continue to share a great deal in common – language, the arts, music, tv and radio, our love of sport. We will work together on common interests.

Can we afford the benefits and state pension bill?

Yes. Government figures show that the current bill for benefits, state pension and other tax credits in Scotland, uses 38% of taxes raised in Scotland. For the UK as a whole, the bill is slightly larger at 42.3% of UK taxes. This means we are better able to afford our welfare system than the UK.

The EU - will we be members?

Having been a member for 40 years, Scotland will retain membership of the EU. We will negotiate new terms as an independent member, while we remain part of the UK. Our voice will be stronger - we will vote direct on the vital issues - influencing decisions relating to our direct European interests.

Our currency?

The Scottish Government's proposal means that we will continue to use the pound sterling. Scotland is able to use the pound because Sterling is a fully tradable currency. A panel of economic experts including two Nobel Laureates has designed the arrangements for monetary union. Scotland cannot be forced to join the euro. In order to join the euro a nation has to be part of the Exchange Rate Mechanism (ERM) for 2 years and participation in ERM is voluntary according to EU law.

Our defence?

The Scottish Government's plans mean that Scotland would be one of 25 non-nuclear members of NATO and, like other similar sized countries, would have its own defence force. Scotland currently contributes £3.3 billion to the UK defence budget - Denmark, a similar sized country, spends £2.8 billion on defence. We could also choose not to renew Trident and remove nuclear weapons from our country.

Border Control?

As an EU member, Scottish borders would remain open to EU nationals, just as we are free to travel across the EU today. We would also remain part of the Common Travel Area in the British Isles, which means no-one from Scotland, England, Wales, Northern Ireland or Ireland would need a passport to travel between these countries, in the same way as today.

Arrangements following a Yes vote?

There will be a period after the referendum where we would finalise arrangements with the rest of the UK, Europe and the World to establish an independent Scotland. Some of these issues will include:

- ✓ **Our share of the UK national debt** - would be subject to negotiation. Figures from the Scottish Government's Fiscal Commission Working Group in February 2013 looked forward to a point after Scotland would be independent. They suggested that Scotland's population share of UK public sector net debt in 2017-18 would be equivalent to 72% of Scotland's national wealth. This would be lower than the equivalent UK figure of 77%.
- ✓ **Our benefits, state pension and tax system** - on independence, Scotland would continue to pay the same benefits and tax credits as across the UK and protect the state pension. You will then elect Scottish Government who will be responsible for future changes to the welfare system, allowing us to reverse damaging changes such as the 'bedroom tax'.
- ✓ **Services and functions delivered UK wide** - A number of new government functions would be set up in Scotland, for example a Treasury and Department of Foreign Affairs. Currently we pay for these services to be delivered in London - with independence the money would be spent in Scotland, creating new jobs. For some functions, decisions would be taken on whether to continue to pay for them to be provided as today, for example, the DVLA.
- ✓ **People employed by English companies** - People employed by companies based in the rest of the UK, or further afield, would of course continue with the same employment, just as tens of thousands of people in Ireland are employed by companies based in the rest of the UK. With full economic powers we can do even better in attracting investment and jobs.
- ✓ **Citizenship** - Later this year the Scottish Government will publish detailed proposals for citizenship on independence day. Subsequent changes will be for the Scottish people and future Scottish Governments to decide. We anticipate an inclusive definition of citizenship, and that dual citizenship would be offered in acknowledgement of the close ties across the UK.

Do you have any questions about what a Yes vote in 2014 could mean for you?

Online: YesScotland.net/thinkaboutit **Email:** info@YesScotland.net

Visit: Yes Scotland, 136 Hope Street, Glasgow G2 2TG Telephone: 0141 221 4767.

If you would like to get involved in the 'Yes' campaign.

Join In: YesScotland.net/imvotingyes **Donate:** YesScotland.net/donate **Join:** YesScotland.net/volunteer