

SCDI PRESS RELEASE

SCDI URGES MPC TO ACT NOW

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The Scottish Council for Development and Industry has added its weight to the calls for a 0.5% cut in interest rates, in response to the worsening economic outlook. Niall Stuart, spokesperson for the SCDI said:

“It becomes clearer every day that the wider economy is suffering as a result of the credit crunch and worries about remaining inflationary pressures are now outweighed by the risk of further economic slowdown.

“With confirmation that the UK economy failed to grow in the second quarter of this year, predictions of rises in unemployment, and falling business and consumer confidence, there is a real need for the MPC to act now.

“The slowdown has been caused by the tightening of credit markets, and an interest rate cut is an essential first step to easing the cost of borrowing and investment.

“A cut of half a percent is now necessary to getting the economy moving again in the medium-term.”

ENDS