

PRESS RELEASE

SCDI RESPONSE TO PRE-BUDGET REPORT

24 November 2008

The Scottish Council for Development and Industry (SCDI) has welcomed the Chancellor's commitment to supporting business and employees through the economic downturn.

Iain Duff, SCDI's Chief Economist, said:

"The Chancellor has outlined a series of measures to restore business and consumer confidence and access to credit – both of which are key to getting the economy moving again.

"Cutting taxes, extending mortgage guarantees and increasing credit to small businesses increase consumer spending, start to get the property market moving and encourage businesses to increase investment for the future.

"This package of carefully targeted investments and tax reliefs, and increased flexibility for businesses when paying tax, should ensure that the recession is not as deep or as long as it would otherwise have been.

"It's obviously a concern that public borrowing is increasing, hitting 57 per cent of GDP in 2013, but we can't afford not to invest for the future given the Chancellor's forecasts that for the economy over the coming years."

ENDS

For further comment, analysis or interviews please call Niall Stuart, Press and Government Affairs Manager on 07814 167477