



Media Release

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Chamber hits out at “late call for views” on apprenticeship tax

A leading North-east business organisation has called on the Scottish Government to move more quickly to release information on a new business tax.

Aberdeen & Grampian Chamber of Commerce has written to the government as a consultation opens on the proposed apprenticeship levy, which comes into force next year.

A devolved policy, employers south of the border have already been told how the levy will work there but the Chamber says its members are frustrated at the shortage of information on the application of the levy in Scotland.

James Bream, research & policy director at the Chamber said: “This consultation represents a late call for views which will create further delay in the formulation of the levy and the publication of necessary information.

“This work could have been done months ago and we have already provided business views to the Government.

“The timing of the consultation is also highly inconvenient, as businesses’ ability to submit a response will be impacted during the summer.”

The Chamber has laid out its concerns in a letter to the Employability Minister Jamie Hepburn, who has previously said that the UK Government’s Apprenticeship Levy undermines the “uniquely Scottish” approach to modern apprentices.

From April next year, all employers in the UK with an annual pay bill over £3million will have to contribute to the apprenticeship levy at a rate of 0.5% of their annual pay bill as a commitment to traineeships.

The UK Government estimates that the levy will raise £3billion annually over the first five years following its introduction.

Mr Bream said that the Chamber will submit a response to the consultation on behalf of its members but urged the Scottish Government to move quickly to catch up to the UK Government in presenting answers to the many questions which currently exist on the apprenticeship levy.

“The most effective way to do this is not through a protracted period of consultation, but direct engagement with employers of different sectors and sizes,” he said.

Ends

Notes to editor

- Aberdeen & Grampian Chamber of Commerce (AGCC) is North-east Scotland's leading private sector, member-focused, business organisation. The Chamber represents more than 1,300 businesses with around 130,000 employees in the private sector covering all industry sectors, ranging in size from sole traders to multi-national corporations.

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