SCOTLAND’S FUTURE
A FUTURE FOR TRANSPORT
Scotland’s Future – Your Guide to an Independent Scotland sets out the case for Scotland to become an independent nation and outlines the journey following a vote for independence on 18 September 2014.

This extract from Scotland’s Future sets out the successes we have made of our devolved responsibilities, and explains the importance of Scotland having full economic powers to create a fully integrated and efficient transport network.

Devolution has seen substantial increases in the level of investment in our transport infrastructure. We have focussed on core infrastructure projects such as the Queensferry Crossing, which will open in 2016. We have opened new railway stations and routes; we are enhancing our core road network with the expansion of the M8 and work now underway to dual the A9 by 2025; and we have significantly increased investment in sustainable and active travel, promoting walking, cycling and low carbon vehicles in pursuit of our climate change commitments.

On rail, we are currently tendering for new franchises; and the weighting we have placed on quality in the ScotRail franchise illustrates our emphasis on the passenger experience. Better trains and improved stations promote economic growth and the benefits of top-quality rail services are therefore just as important as value for money. That is why we expect from the winning ScotRail bidder an innovative approach to wi-fi and cycling, a focus on improved intermodal transport links, and progress on smart ticketing. This all illustrates our commitment to quality public services and to achieving the Scottish Government’s Purpose of sustainable economic growth.

Our investment in Scotland’s rail infrastructure and services reflects this viewpoint. It is a key priority and has delivered record passenger numbers and consistently high levels of public satisfaction. Over the five years to 2019, our spending commitments are, per head of population, over double those made by the UK Government. We are also taking a distinctly different path to ensure that rail travel is affordable by regulating more fares and capping increases at or under core inflation measures. We are convinced that high-quality, affordable rail services will provide people across Scotland with an attractive alternative to travelling by car. That will be good for the environment and our nation’s well-being.
With devolved powers, we have also chosen to enhance and extend our transport links and raise participation in public transport through the provision of improved services and the continuing commitment to free concessionary travel for the disabled and those over 60.

However, the limitations of devolution are clear. The ability to integrate our internal transport networks fully and improve our connectivity to the community of nations is hampered by a lack of borrowing power and Westminster’s insistence on an inequitable transport policy that is based primarily on maintaining the economic primacy of London and the South East.

The limitations of devolution also prevent us taking our own decisions on road safety initiatives, such as the introduction of a Graduated Drivers’ Licensing scheme. There is compelling evidence that such a scheme could save many young lives and consequently lead to much cheaper insurance for young drivers. We have urged the UK Government to consider such a scheme since 2008 but we still await any action.

So, if elected as the first government of an independent Scotland, we will take immediate steps to tailor transport policy to Scotland’s unique circumstances.

We will cut Air Passenger Duty by 50%, with a view to abolishing it completely. We will begin to rebuild Scotland’s international connectivity, emphasising those long-haul aviation links that are so vital to economic growth.

We will press ahead with developing plans for high speed rail between Glasgow and Edinburgh, and work with the Northern English councils to make the case to the UK Government for a high speed rail link between Scotland and London.

We will also use the borrowing powers of an independent nation to invest further in our roads, dualling the links between our cities by 2030.

It is clear that independence is the only option to protect and extend the powers we have. It is the only means whereby we can build a coherent transport system best suited to the needs of the people who choose to live and work in Scotland. It is the only means whereby we can connect our nation most effectively to our friends and partners around the globe.

Scotland’s Future – Your Guide to an Independent Scotland is available to view online at www.scotreferendum.com
Summary

Transport

Scotland’s geographical position makes strong international and cross-border transport links vital for our economic success and our social wellbeing. Within the UK, Westminster focuses on the transport needs of London and the South East, as the plans for high speed rail demonstrate. Independence will provide us with more choices for our transport system, and we will be able to decide our forward investment based on our own finances rather than within boundaries set by Westminster. We will be able to consider options such as different ownership models for rail services, and address Scotland’s international connections to the global marketplace, developing our air and sea access to the most important markets. We will also be able to consider tax measures to help transport in Scotland, like reducing Air Passenger Duty and examining the benefits of a Fuel Duty Regulator mechanism to stabilise prices for business and consumers. Our use of devolved powers to date demonstrates the benefits of a distinct Scottish approach, such as the new rail franchise’s emphasis on measures that will maximise sustainable economic growth. Independence will allow us to take this further and create a fully integrated transport network that will boost growth, providing jobs and increasing societal cohesion.
Why we need a new approach
Scotland's geographical position makes strong international and cross-border transport links vital for our economic success and our social wellbeing. Connecting Scotland with the world will never be a top priority for a Westminster Government, with its focus on the transport needs of London and the South East. It is only with independence that we can make choices based upon what is right for Scotland and our economy and what is right for communities and the quality of life of our people.

The future of high-speed rail is just one example. Current confirmed plans exclude Scotland and Northern England, with the next phases of high-speed rail only due to connect London with Birmingham in 2026 and then Leeds and Manchester by 2033. While this investment will provide capacity and bring some journey time savings between the Central Belt and London, the economic benefits to Scotland, as well as the North East and far North West of England are marginal compared to those which will accrue to other areas of the UK. Indeed, the Westminster Government's own analysis shows that Aberdeen and Dundee's economies may suffer from such a partial approach.

A similar failure is clear in relation to Air Passenger Duty. Westminster's refusal to devolve Air Passenger Duty to Scotland has hampered our ability to attract new direct flights to Scotland that would improve our international connectivity and could reduce the costs to people and families in Scotland of both holidays and business travel.

The Westminster Government continues to have responsibility for key aspects of transport policy and, just as importantly, takes the final decision on the size of Scotland's budget. This has included a massive reduction in the capital spending available for crucial infrastructure projects in our country. Scotland's ability to support much needed infrastructure development has been hampered by decisions taken elsewhere, both in terms of overall spending limits and in the ways in which we are allowed to spend our money as a result of Treasury rules. This has meant slower progress on vital infrastructure and transport investment than would have been the case as an independent nation.

The opportunities available to Scotland
Independence will provide Scotland with full flexibility and more choices for our transport system. We will be able to assess our capital investment needs and our forward investment based on Scotland's budgetary position, rather than within boundaries set by Westminster. We will be able to consider options such as different ownership models for the rail network, and address issues with Scotland's international connections to the global marketplace, developing our air and sea access to the most important markets.

Since 1999, successive Scottish governments have improved transport within current devolved responsibilities, illustrating the value of decision-making on Scottish priorities for transport within Scotland, and connecting investment in transport with wider policy objectives.
For example, this Government is committed to connecting communities and developing the local and national economies of Scotland through projects such as the Borders Rail link and the Air Discount Scheme.

Following the transfer of some responsibilities for our railways, two new passenger lines and six new stations have been opened and across the network we have seen a 30 per cent increase in passenger use. Road Equivalent Tariff has been introduced for more island ferry routes and we have been able to take forward major road projects to improve and complete our motorway network.

These actions demonstrate what can be achieved with a limited range of responsibilities and show that Scotland is well placed to respond more effectively to our nation’s strategic transport needs with the full powers of independence.

The Scotland we can create
Independence will provide future Scottish governments with the ability to make decisions that suit Scotland's particular transport needs, creating projects and policies that are based on strong evidence of economic benefit and social cohesion.

These new powers can be used to continue the improvements to our transport networks both within Scotland and linking to Scotland. They will support economic and social opportunity by strengthening the connections between urban and rural, island and mainland, national and international, and the people of Scotland and their public services.

Independence will enable us to develop a fully integrated transport system with decision-making on the key issues being taken in Scotland and for Scotland. This means we can move forward with a clear ambition to deliver:

■ integration between different modes of travel and different functions
■ integration between all the powers of government to support transport and wider objectives
■ full integration with the global community of nations.

The choices open to us
Future Scottish governments will be able to align transport policy with other policy choices to create a more comprehensive transport strategy covering both national and international connections.

For example, independence creates the opportunity to integrate the transport network fully with the other infrastructure networks that are crucial to growing the economy. We will be able to align transport policy with energy policy to achieve Scotland's ambitious decarbonisation targets. That means the electrification of rail and the development of electric vehicles can work in tandem with the expansion of renewable energy generation and the roll-out of smart grid technologies to drive down transport emissions, enabling Scotland to meet the commitment to achieve the almost complete decarbonisation of road transport by 2050.

There will be an opportunity to decide the best way to structure and support our railways, including the best ownership model for rail and track for the benefit of the people of Scotland.
The Scottish Government is currently procuring a ten-year ScotRail franchise with a five-year review and a separate Sleeper franchise. Both procurement exercises are being expertly run under existing devolved powers by Transport Scotland and have attracted healthy interest. We are confident that they will bring better services to passengers. However, the current franchise model is unnecessarily constrained by the limits imposed by UK legislation. In the future, an independent Scotland will be free to pursue legislation that enabled alternative approaches, including public-supported and not-for-profit models. Enhanced borrowing powers will also provide more options for the delivery of rail infrastructure or rolling stock supporting better value for money.

In addition, independence will give Scottish governments a role when franchises are awarded for cross-border services – currently the Scottish Government has very limited input to these decisions which are made by Westminster alone. This will ensure Scotland's interests are fully represented.

We can use the borrowing potential of an independent country to invest in the condition, reach and connectivity of our roads – achieving the long-term objective of dualling the road network between all our cities by 2030.

And, we can ensure that Scotland's Maritime institutions – such as the coastguard – are structured efficiently and meet the needs of users of Scotland's unique seas and complex coastline.

**Our priorities for action**

High-speed rail is a key priority. Despite a much stronger business case from a network that includes Scotland and previous calls, not just from the Scottish Government but councils in the North of England and civic and business Scotland too, it is only now that the Westminster Government has agreed to plan for high speed to go beyond Manchester and Leeds. Meanwhile we continue to plan for a high-speed compatible link between Edinburgh and Glasgow that will act as a 'launch pad' for high-speed rail services to the South as well as releasing capacity on existing lines in the Central Belt.

Through substantial investment in the Highland Mainline and the line between Aberdeen and Inverness, along with enhanced inter-city-services delivered through the next franchise, we will ensure that high-speed rail brings benefits to all of Scotland. High-speed rail will also deliver substantially improved connectivity between Scotland and the North of England. Consistent with the Borderlands initiative, an independent Scotland could work together with northern English councils to argue the case more strongly for High-speed to go further North faster. High-speed rail will also attract air travellers from Glasgow and Edinburgh to London, freeing air slots to maintain air access to Aberdeen and Inverness, which, with rail improvements will maintain and enhance the connectivity of these economically vibrant cities.

A reduction in Air Passenger Duty (APD) will allow Scotland’s airports to be more competitive in attracting new direct air routes and will improve our international connectivity. More direct routes will also enable Scottish travellers to avoid connections via airports such as Heathrow, reducing average household costs for summer holiday flights from Scottish airports. For these reasons, it is essential that the Scottish Government has the power to make decisions on APD in the interests of Scotland.
Ferries are an essential part of Scotland's transport network. The quality of our ferry services impacts on us all, affecting both island and mainland communities. The Scottish Government is fully committed to delivering first class sustainable ferry services to our communities, stimulating social and economic growth across Scotland. The planned improvements to Scotland's ferry services, as set out in our recently published Ferries Plan\textsuperscript{129} will enable our rural and remote communities to thrive, and continue to make a significant contribution to Scotland's economy. With the fully integrated transport system that independence will deliver, we can ensure the best alignment between ferries and other modes of transport.

One key cost to business and consumers is the cost of fuel. Currently around 58 per cent of the cost of petrol and diesel is made up of taxes: as a percentage of pump price, the UK had the highest tax component of diesel prices and the second highest of unleaded petrol prices of the 28 EU member states in August 2013\textsuperscript{130}. With independence, this Scottish Government will examine the benefits of a introducing a Fuel Duty Regulator mechanism to stabilise prices for business and consumers and how this could be made to work alongside our Scottish Energy Fund.

The Scottish Government is currently responsible for our rail and trunk road networks, major public transport projects and for the national concessionary travel schemes.

In addition, current devolved responsibilities include:

- travel information service
- sustainable transport, road safety and accessibility
- local roads policy
- bus, freight and taxi policy
- ferries, ports, harbours and canals
- the Blue Badge Scheme (for disabled drivers).

After independence, these services and responsibilities will continue as now.

Other transport functions are currently reserved to the Westminster Government, and delivered by 13 UK- or GB-wide specialist transport organisations. For a period after independence, the Scottish Government proposes that these organisations continue to provide their services in Scotland under arrangements with the Scottish Government. These arrangements, some of which will be transitional, will form part of agreements reached with Westminster.

The people of Scotland have contributed to the funding and development of these institutions over many years, and continued use of these institutions, for varying periods of time, following independence – with appropriate financial contributions to their administration, along with an equally appropriate say in their governance – is the sensible approach to ensuring continuity of service immediately following independence.
These include the Motoring Services agencies: the Driver and Vehicle Licensing Agency, Driving Standards Agency, Vehicle and Operator Services Agency, and the Vehicle Certification Agency. These will initially continue to provide vehicle and driver licensing and testing services to the people of Scotland. However, independence will allow a Scottish Parliament to determine the best way to deliver these services in the future. The Scottish Government plans to create a new, streamlined Scottish Motor Services Agency, which will bring together the functions of DVLA, DSA, VOSA, and VCA. By the end of the first term of an independent parliament, we will have completed the design and development work, with a view to the Agency going live early in the second Parliament.

The Maritime and Coastguard Agency and the Northern Lighthouse Board will continue to provide their services for the safety of mariners.

NATS is the air navigation service provider for the UK. It is a public-private partnership, and is 49 per cent owned by the Westminster Government, 42 per cent by the Airline Group (a consortium of seven airlines), 5 per cent by its employees and 4 per cent by Heathrow Airport Holdings. NATS owns and operates a large facility at Prestwick. On independence, NATS will continue its services for Scotland. The Scottish Government will negotiate an appropriate share for Scotland of the Westminster Government’s stake in NATS.

The present regulatory authorities for transport are the Office of Rail Regulation (ORR) and the Civil Aviation Authority (CAA). On independence, these bodies will continue to operate in Scotland while the options for regulation are examined further, although the combined economic regulator will cover aspects of ORR’s functions. The same approach will be adopted in relation to the rail passenger group, Passenger Focus. This will ensure there is no disruption to the operations and safety of either rail or air services. Similarly the accident investigation branches, covering rail, aviation and maritime, will continue their operations on independence.

This approach means that drivers, hauliers, airlines and their passengers, rail operators and their passengers, and mariners experience a smooth transition as powers begin to be executed by an independent Scotland or jointly with the rest of the UK, through existing institutions.

As a full member state of the EU, we will be increasingly active in international co-operation in transport policy and regulation, as well as in international transport bodies such as the International Civil Aviation Organisation and the International Maritime Organisation.
**Scotland's Future – Your Guide to an Independent Scotland**

**PART 5: Questions and Answers – Finance and the Economy**

**Transport (pages 409 – 420)**

**Rail**

110. **What will independence mean for Scotland's rail services?**
    Since 2005, powers to specify and fund work on the Scottish rail network have been devolved. However, discussion about the overall structure of the rail industry remains reserved to Westminster, along with safety and standards.

    Independence will not result in any immediate change to rail services. However, future governments of an independent Scotland will have greater flexibility over the budgets available to support rail services and over franchise arrangements and ownership models.

111. **Will railways in an independent Scotland be re-nationalised?**
    The existing ScotRail franchise ends on 31 March 2015 and competitions for the replacement ScotRail and Caledonian Sleeper franchises are underway. The ScotRail franchise will be let for 10 years with a review after five years. The Caledonian Sleeper franchise will be let for up to 15 years.

    After these franchises have completed, the government of an independent Scotland will, under existing European legislation, have the opportunity to consider all options for the delivery of passenger services, including public sector options.

112. **Will cross-border services still run?**
    Yes. Cross-border rail services operate throughout Europe every day, linking cities and people across national boundaries. Governments work in partnership to deliver rail services of economic and social importance. Scotland and the rest of the UK will be no different in that respect.

113. **Will Scottish customers be disadvantaged over fare pricing for these services?**
    No. An independent Scotland will have the opportunity of a greater role in determining cross-border franchise arrangements. Today in Europe, passengers can book a ticket on services connecting the Netherlands, Belgium and France without nationality playing a factor in fares costs. There is no reason why a similar situation should not apply between Scotland and the rest of the UK.

114. **What will happen to rail fares in Scotland post-independence?**
    The Scottish Government is already responsible for specifying regulated rail fare increases within its franchise agreements. Independence will not change these arrangements.

    The current policy in Scotland has led to lower rail fare increases than in England. As of January 2013, the maximum rail fare increase for regulated fares was 3.1 per cent in Scotland, compared to an average increase of 4.1 per cent in England. In addition, off-peak fares will be frozen in Scotland. Within the next franchise period from April 2015, the Scottish Government has committed to bearing down further on the cost of fares for passengers by ensuring that ScotRail peak fares do not increase by more than inflation, and ScotRail off-peak fares will rise not greater than 1 per cent below inflation.
115. Will franchises being let now still apply?
Yes. The Scottish Government proposes no change to current plans for the ScotRail and Caledonian Sleeper franchises and these will continue to operate as planned.

116. Will UK franchises for cross-border services have to be renegotiated with the government of an independent Scotland?
With the exception of the Caledonian Sleeper, the Westminster Government is currently responsible for cross-border franchises and receives all of the money paid by operators. This arrangement will need to be renegotiated. Negotiation will not, however, affect the day-to-day delivery of the franchises. Given the importance of these routes to Scotland and the rest of the UK, it will be in both countries’ interests to put in place arrangements to ensure the continued operation of cross-border services.

117. Will plans for high speed rail between Glasgow and Edinburgh be affected by independence?
No. The Scottish Government is currently developing plans for high speed rail infrastructure in Scotland. This will improve the journey times for future Scotland to England services and also provide a fast, dedicated capacity in high speed rail service between Edinburgh and Glasgow. It will also free up the central belt so more services to other areas of Scotland can be created.

The current planning is independent of what is being developed in England, but will clearly be designed to be compatible. Independence will have no impact on these plans.

118. Will plans for high speed rail between Scotland and England be affected by independence?
Current confirmed Westminster plans exclude Scotland and Northern England, with the next phases of high-speed rail only due to connect London with Birmingham in 2026 and then Leeds and Manchester by 2033.

While this investment will bring some benefits between the Central Belt and London, the economic benefits to Scotland, the North East and far North West of England are marginal compared to those which will accrue to other areas of the UK. Indeed, Westminster’s own analysis shows that the economies of Aberdeen and Dundee may suffer from such a partial approach.

Despite a much stronger business case from a network that includes Scotland and previous calls, not just from the Scottish Government but councils in the North of England and civic and business Scotland too, it is only now that Westminster has agreed to plan for high speed to go beyond Manchester and Leeds.

Consistent with the Borderlands initiative, an independent Scotland could work together with northern English councils to argue the case more strongly for High Speed to go further North faster. High Speed Rail will also attract air travellers from Glasgow and Edinburgh to London, freeing air slots to maintain air access to Aberdeen and Inverness, which with rail improvements will maintain and enhance the connectivity of these economically vibrant cities.

The following two questions differ from those in Scotland’s Future. This is due to the decision by the Office for National Statistics outlined below. We aim to provide up-to-date information and so we have modified our answers in this pamphlet.
119. What will happen to Network Rail in Scotland?
Network Rail is currently a private company limited by guarantee. In December 2013 the Office for National Statistics (ONS) announced its decision to reclassify Network Rail as a Central Government body in the UK National Accounts and Public Sector Finances. The full implications of this decision are still being assessed. However, this classification will be implemented from 1 September 2014 and new corporate governance, accounting, budgeting, assurance and debt arrangements will be put in place.

The financing and structure of railways in Great Britain is generally a reserved matter, which means that any decision-making powers with respect to Network Rail currently lie with the UK Government. Whilst we are working with the UK Government to ensure that the ONS decision will have no detrimental effect on the executively devolved powers of the Scottish Ministers, an independent Scotland would have full control over the future structure and governance of Network Rail in Scotland.

120. What will happen to Network Rail’s debt, which is currently guaranteed by the Westminster Government?
As a consequence of the ONS decision to reclassify Network Rail as a Central Government Body the company’s debt and borrowing will be included in UK National Accounts and Public Sector Finances from 1 September 2014. However, this has no impact on the nature of any existing Network Rail debt or the provision of the UK Government Financial Indemnity Mechanism. An independent Scotland will continue to meet its rail financing obligations – including the servicing of regulatory debt for Scotland – in line with the determination made by the Office of Rail Regulation for the period 2014 to 2019. Longer term an independent Scotland would meet any future obligations with respect to the financing of Network Rail for its activities in Scotland.

121. If I buy a travel pass or season ticket before independence that continues into independence will it be valid for the whole period?
Yes. The Scottish Government proposes no change to the ScotRail franchise, which will operate as normal. All passes and tickets will remain valid.

Roads

122. Who will be responsible for the road network in an independent Scotland?
The Scottish Government is already responsible for roads. This will not change with independence.

123. Will there be road charging in an independent Scotland?
The current Scottish Government has no plans to introduce road charging.

Buses and Trams

124. Who will be responsible for public transport, such as buses and trams, in an independent Scotland?
Many powers relating to public transport are already devolved and in an independent Scotland decisions on them will continue to be made as they are now by the Scottish Parliament and Government.

However, some further powers will also transfer to the Scottish Parliament on independence. For example, the registration and funding of bus services is already devolved but the responsibility for licensing and permits for bus operators, drivers and vehicles currently rests with Westminster.
Aviation

125. **What will happen to Air Passenger Duty in an independent Scotland?**
Air Passenger Duty is currently set by the Westminster Government. With independence, the Scottish Parliament will be able to set Air Passenger Duty at a level that suits Scotland – or abolish it entirely.

It is estimated that Air Passenger Duty will cost Scotland more than £200 million a year in lost tourism spend alone by 2016. In addition to the direct losses to the Scottish economy, another report earlier this year found that reducing Air Passenger Duty would increase receipts from other taxes, such as VAT.

As an early priority for action following independence the current Scottish Government proposes a 50 per cent reduction in APD, with a view to eventual abolition of the tax when public finances allow.

126. **Will an independent Scotland protect links to London airports?**
The number of flights to London from Scotland has been reducing.

With independence, the Scottish Government will be able to protect routes. The present Government would propose to promote Public Service Obligations on routes that benefit the economy most. The current Scottish Government will prioritise a 50 per cent reduction in APD, with a view to eventual abolition of the tax when public finances allow.

127. **Will there be more direct flights into an independent Scotland?**
More long-haul flights operate into independent countries, for example into Denmark and Ireland, which are similar in size to Scotland.

The government of an independent Scotland will be able to develop an aviation policy that suits the people of Scotland. This could include the development of new routes to strategically important markets, such as Asia, boosting tourism by encouraging the use of direct flights to Scottish airports, and working at the top table in the European Union - as an independent member state – to develop more efficient and co-operative international regulation.

128. **How will air traffic services be managed in an independent Scotland?**
Airspace will be managed in the same way as it is currently managed with the emphasis on allowing the free and safe movement of aircraft.

The Westminster Government has a 49 per cent shareholding in National Air Traffic Services (NATS) and one of its two operational centres is based at Prestwick.

On independence, it is the intention of the current Scottish Government that NATS will continue its services for Scotland. The Scottish Government will negotiate an appropriate share for Scotland of Westminster's stake in NATS.
Freight

129. What will independence mean for regulation of the road freight sector in Scotland?
The road freight sector is governed primarily through European legislation, which is aimed at ensuring the free movement of goods and fair competition across Europe. EU rules govern drivers' hours and working time regulations; common rules on international movement of goods across member states; vehicle standards; vehicle weights and dimensions; initial driver training and drivers Certificate of Professional Competence; the operator licensing regime; health and safety requirements; and a range of regulations aimed at improving road safety including rules governing the carriage of dangerous goods.

As an independent Member State of the EU, Scotland will continue to comply with European regulations. Implementation of EU legislation into UK law (and exercise of any aspects where there is a degree of discretion) is currently a reserved matter, however, and so this responsibility would transfer to the Scottish Parliament as a result of independence. Given the extent of EU regulation, the scope for significant change to the rules is limited but the current Scottish Government plans to achieve a healthy and sustainable freight industry in Scotland that would be able to compete effectively in the European single market.

130. Would relevant regulations be aligned with the rest of the UK? Would a Scottish Government want to pursue a distinct course over time?
As a member of the EU, an independent Scotland will meet its obligations under EU law with regards to the haulage industry. Regulation that is in place immediately before independence will be inherited on independence. Thereafter decisions on the regulatory framework will be made by the Parliament and government of an independent Scotland in line with Scotland's interests and to suit Scotland's circumstances.

131. What effect would independence have on the movement of goods by road between Scotland and the rest of the UK, and between Scotland and other countries?
Under EU regulations, all hauliers carrying out the movement of goods under ‘hire and reward’ between member states must have a standard international operator's licence and a community authorisation licence.

In a modern global economy many companies already operate across a number of different countries without difficulty. The Scottish Government has made clear its intention to ensure an independent Scotland remains an attractive and competitive place to do business.

Motoring Services

132. Will an independent Scotland have its own driver and vehicle licensing and driving standards agency?
Powers over these issues will transfer to the Scottish Parliament as a result of independence. It is the current Scottish Government's intention to continue to use the services of the Driver and Vehicle Licensing Agency, Driving Standards Agency, and Vehicle and Operator Services Agency in the immediate post-independence period. These agencies are currently self-funded through user fees. Scottish users, therefore contribute fully to the cost of providing these services.
Independence will allow the Scottish Parliament to determine the best way to deliver these services in the future. The current Scottish Government proposes the creation of a new, streamlined Scottish Motor Services Agency, which will bring together the functions of DVLA, DSA, VOSA, and Vehicle Certification Agency. By the end of the first term of an independent Parliament, the current Scottish Government would plan to have completed the design and development work, with a view to the Agency going live early in the second Parliament.

133. **Will we need to reapply for driving licences if Scotland becomes independent?**
No. The Scottish Government intends that the driver licensing regime will remain in place at the point of independence. This will ensure all licences granted by the DVLA are recognised in Scotland.

134. **Will an independent Scotland change the UK legislation for bus, coach and lorry drivers’ Certificate of Professional Competence training?**
This is a decision for future elected governments of an independent Scotland. This Government has no plans to change the present regime for Certificate of Professional Competence training.

135. **Will Scotland retain the role of Traffic Commissioner?**
Yes. The Scottish Government’s intention is that an independent Scotland will retain the Traffic Commissioner’s role.

**Ferries**

136. **How will ferry services be managed in an independent Scotland?**
Ferries are an essential part of Scotland's transport network. The quality of our ferry services impacts on us all, affecting both island and mainland communities. The Scottish Government is fully committed to delivering first class sustainable ferry services to our communities, stimulating social and economic growth across Scotland.

The planned improvements to Scotland’s ferry services, as set out in our recently published Ferries Plan will enable our rural and remote communities to thrive, and continue to make a significant contribution to Scotland’s economy. With the fully integrated transport system that independence will deliver, we can ensure the best alignment between ferries and other modes of transport.

**Maritime**

137. **How will maritime services be delivered in an independent Scotland?**
**What will change in maritime functions with independence?**
Scotland has approximately 60 per cent of the seas and coastline of Great Britain. However, the essential maritime institutions (the Maritime and Coastguard Agency, Northern Lighthouse Board and Marine Accident Investigation Branch) are currently controlled by Westminster. The Scottish Government currently has no say in how these essential services are delivered.

Independence will let Scotland shape and develop maritime services that reflect our unique coastline and give the people who use our seas the support they need. The Scottish Government intends that the Maritime and Coastguard Agency will continue to provide its services for the safety of mariners. It also plans that the Northern Lighthouse Board and Marine Accident Investigation Branch will continue its role unchanged in an independent Scotland, funded by existing arrangements for the collection of light dues at Scottish ports through Trinity House.
It will then be for future governments of an independent Scotland to look at how these services would be provided in the years ahead. This may, if appropriate, include developing a distinct Scottish organisation to deliver some or all of these functions.

138. **Will an independent Scotland remain a member of international organisations like the International Maritime Organisation and the International Civil Aviation Organisation when independent?**
   Aviation and maritime regulations will continue to apply in an independent Scotland as these activities, by their nature, are subject to international regulations. The Scottish Government intends that Scotland, as an independent state, will become a member of these organisations.

139. **Will the Royal National Lifeboat Institution continue to provide services?**
   The Royal National Lifeboat Institution is totally independent of government and serves the Republic of Ireland, the Channel Islands and the Isle of Man as well as the United Kingdom. The RNLI is an integral part of the maritime search and rescue structure. Its purpose is to save lives at sea and the organisation has a proud history of providing lifeboat services and volunteer crews. Decisions about the RNLI are for the Institution itself, but we can see no obstacle to it continuing to play its vital role around the coasts of Scotland as it does around the rest of these islands.

   There is a long history of maritime search and rescue being co-ordinated across borders and boundaries with all available resources and vessels deployed to assist in any incident. This will continue to be the case after independence.

140. **Will Scotland register ships?**
   Yes. The present Scottish Government intends that an independent Scotland will set up a Shipping Register.

141. **Will the standards for vessels be the same as in the rest of the UK?**
   Most standards for shipping and vessel safety are set by international agreement through the International Maritime Organisation and the EU and these will continue to apply in an independent Scotland as they do for the rest of the UK.

142. **Will there be any changes to the operation or structure of harbour authorities?**
   All of the Statutory Harbour Authorities in Scotland operate under their own local legislation. There is no reason for this to change with independence.
 Regulation (pages 407 – 408)

Rail Regulation

102. **How will Network Rail be regulated in an independent Scotland?**
We propose that, on independence, the Office of Rail Regulation will continue to operate in Scotland while the options for regulation are examined further, although the proposed combined economic regulator will cover aspects of its functions. This will ensure there is no disruption to the operations and safety of rail services.

Aviation Regulation

103. **Will an independent Scotland still be covered by the Civil Aviation Authority?**
Powers over civil aviation will transfer to the Scottish Government and Parliament as a result of independence. After that, decisions on this will be made by the Parliament and Government of an independent Scotland.

We propose to retain the current regulatory framework governing aviation on independence through a memorandum of understanding with the Civil Aviation Authority (CAA). The CAA will report to the Scottish Government on regulatory matters affecting aviation in Scotland.

Building on this initial arrangement an independent Scotland can develop its own regulatory body in due course.

104. **How will a Scottish aviation regulator be funded?**
The current Scottish Government has no plans to change the current model for the funding of aviation regulation, where the industry covers the cost of regulation.

Regulation of Outer Space Activity in an Independent Scotland

105. **Will Scotland continue to participate in international space agencies?**
Yes. Scotland will continue to work with the UK Space Agency and the European Space Agency.

106. **Will Scottish businesses be able to compete for contracts to the UK Space Agency?**
Yes. An independent Scotland will continue to be part of the European Union. In line with EU Public Procurement Law companies in Scotland will be able to compete for contracts to the UK Space Agency and the European Space Agency.
Scotland’s Future – Your Guide to an Independent Scotland

Other transport commitments throughout Scotland’s Future

■ With independence, this Scottish Government will maintain the commitment to protect free concessionary travel (p.48).

■ An independent Scotland will have a Cabinet Secretary for Trade and Economic Development with responsibility for competitiveness, business and tourism, and will be supported by a Minister for Transport (p.49).

■ With independence, this Scottish Government will examine the benefits of introducing a Fuel Duty Regulator mechanism to stabilise prices for business and consumers and how this could be made to work alongside our Scottish Energy Fund (p.129).

■ Scotland’s roads could be made safer through more appropriate penalties for drink driving, and powers for the police to conduct random breath tests anytime, anywhere. With independence, this Scottish Government will bring forward legislation to lower the drink driving limit once technical changes to drink drive testing devices have been made (p.258).

■ The Scottish Government has recently established the Islands Areas Ministerial Working Group, to engage in discussions with Orkney, Shetland and Comhairle nan Eilean Siar about the opportunities that are important for these island communities in the context of the referendum and independence. The Working Group is covering issues such as energy, the Crown Estate and transport. Under independence we plan to bring forward an Islands Act to implement the conclusions of this work (p.290).
Endnotes

127 For example see analysis released on impact of HS2 on different parts of the UK obtained by the BBC via FOI. www.bbc.co.uk/news/uk-24589652


