

lending and making it easier for new entrants to the market, in particular to help with short term financing. We believe the UK government should be doing more to rebalance economic activity on these isles and so we will press for seed-fund capitalisation of the new **Scottish Business Development Bank**, enabling new finance and investment for Scottish business to maximise job creation and growth.

We support calls for more readily available export finance and believe the steps outlined in the Scottish Government's updated Economic Strategy, with its focus on internationalisation, will boost export opportunities for Scottish businesses and help increase the number of Scottish exporters.

We also believe that more should be done to help small businesses with cash flow and will press the UK government to introduce effective legal protections to ensure small businesses are paid on time. We agree that small businesses should have rights within key utility markets more akin to those of household consumers. For our tourism sector, we will press for the early devolution of Air Passenger Duty (APD) so we can use this new power to encourage more direct flights to Scotland, with a reduction of 50 per cent and longer term plans to abolish APD completely. We will also support examining a reduction in VAT for the hospitality sector, levelling the playing field with other EU nations and helping create as many as 10,000 new jobs.

For our creative industries, we will press for the BBC in Scotland to receive a fairer share of licence fee revenue

generated in Scotland, which would bring a £100 million boost to Scotland's creative sector.

We support the creation of a Creative Content Fund for the games industry to encourage the formation of new studios and also back the retention of the Video Games tax relief. We back industry calls for an increase in the SEIS investment limit and changes to the Shortage Occupation List to recognise specific skills needs in the sector.

Scotland needs an immigration policy suited to our specific circumstances and needs. In particular, we wish to see the reintroduction of the post-study work visa so students who have been educated in Scotland can spend 2 years working here after their studies and can contribute to growing our economy.

We will examine proposals to maintain the Annual Investment Allowance at a stable rate and consider whether it can be maintained at £500,000 and whether it can be extended until the end of the next Parliament in 2020. This allowance supports investment in plant, machinery and premises and we believe business deserves certainty to enable them to make longer-term investment decisions.

We will also support a phased increase in the Employment Allowance from £2,000 per business per year to £6,000 per business per year by 2019-20. This will provide a boost to employment growth by reducing the cost of creating and maintaining jobs. This proposal will particularly benefit smaller businesses with over 95% of the support going to smaller firms.