Scotland's budget cuts to slash 125,000 jobs

Stephen Alexander 18 January 2011

The £1.3 billion in public spending cuts planned by Scotland's devolved administration for 2011-2012 will cause lasting social devastation, as vital services and welfare provision are dismantled. As yet, its full extent has been concealed by the Scottish National Party (SNP) administration, which, seeking to avoid exposure in the run-up to the May Scottish parliamentary election, has delivered only a one-year budget.

Unison, the biggest public sector trade union in Scotland, has warned that as a result of the cuts, 125,000 jobs, or 5 percent of the working population, will go by March 2013. Some 65,000 of these will be in the public sector.

All 32 local authorities have now agreed to the SNP's local government deal, which will see average funding cuts of 2.6 percent and a pay freeze for public sector workers earning more than £21,000. These cuts will be worsened by 3 percent efficiency savings across the public sector that account for two thirds, or £800 million, of total spending cuts.

Fife will see the largest reduction next year of £28.5 million, as its allocation falls to £697.8 million. Argyll and Bute's budget is to be reduced by 4.94 percent or £11.5 million, Glasgow's by 3.5 percent or £11.5 million, while Perth and Kinloss, Dundee and Angus will see reductions of between £8 and £9 million.

The majority of authorities have already begun the process of shedding workers via voluntary redundancy, early retirement and the non-renewal of vacancies. Compulsory redundancies will follow.

Aberdeen council is planning cuts of £120 million over the next five years by axing 900 jobs and forcing staff earning more than £21,000 per year to accept a 5 percent pay cut. North Lanarkshire, one of the largest councils in Scotland, is planning an "initial" workforce reduction of 600 full-time posts over the next two years. The council's leader, Jim McCabe of Scottish Labour, has warned, "We have had to take decisions which will mean reduced services in some areas and stopping some services altogether."

Social work services across Scotland will be the focus of severe cuts, as they account for around a third of local government expenditure.

A survey by the Association of Directors of Social Work, recently leaked to the *Herald*, revealed plans for extensive cuts to adult and elderly care. Of the 25 authorities that took part, many intend to reduce the care workforce. Five are planning to shut care homes, and one indicated that it would shut all council-run care homes. Six councils indicate that they will end "early intervention and preventative services" designed to mitigate "acute, intensive and more expensive care...at a later stage."

With the number of people aged over 85 set to increase by 144 percent between 2006 and 2031, these cutbacks will result in social misery. Professor Alan Miller, Scotland's human rights commissioner, has warned that social care cuts could be in breach of the Human Rights Act 1998. "If someone is left in what amounts to degrading treatment, and cuts have been made without assessing the impact on their human rights, local authorities are likely to face challenges."

The same applies in healthcare, where 4,000 jobs are scheduled to go next year, including 1,500 nursing and midwifery positions. According to Audit Scotland, despite its budget being ring-fenced, the NHS will have to make 36 percent, or over £280 million, in savings to maintain the same level of service. This is due to the inflating costs of drugs and new treatments, and increased demand resulting from an ageing population.

Primary and secondary education, which accounts for around £5 billion of the £11.6 billion local authority budget, will also fall victim. Under the local government funding deal, authorities have been allowed to reopen negotiation on teacher's pay and conditions. The 2001 McCrone deal, which included a 23 percent pay rise, a 35-hour limit on the working week and 12 hours ensured for marking and preparation, will be dismantled. A study by the Scottish Secondary Teacher's Association carried out last year found that conditions have already been eroded, with teachers on average working 10 hours above the 35-hour limit.

Local authorities are looking to save ± 5.3 million by ending conserved salaries. These protect the salaries of departmental heads when they are forced to return to a regular teaching position upon, for instance, a merger with another school. This will affect 1 in 20 teachers, who could lose around £13,000 per year.

While concentrating on the SNP's electoral target of reducing class sizes to 18 in the first three years of primary education, according to the *Times Educational Supplement*, more than one third of local authorities have abandoned guidelines aimed at capping class sizes at 20 across primary and secondary education.

Higher education is to receive a 6.7 percent cut in 2011-2012. The Scottish Funding Council (SFC) recently translated the cut into academic years revealing an 11 percent, or £69 million, reduction in the teaching budget. Capital funding for universities and colleges will see a fall of 38 percent.

Teaching levels will be maintained for one year out of university reserves. In the long term, the Scottish government plans to resolve the funding shortfall at the expense of students and their families. In 2012, a graduate contribution tax for Scottish students will be introduced, and upfront tuition fees for students from England, Wales and Northern Ireland will be increased from £1,900 to £6,000 per year. The number of fully funded places for Scottish and European Union students will also be reduced.

While research funding levels have been maintained, the method of distribution decided on by the SFC will create a two-tier education system. Older institutions, deemed by the SFC to have greater research excellence, such as St. Andrews, Aberdeen and Edinburgh, will receive cuts no greater than 0.5 percent. Newer Universities such as Abertay, in Dundee, the Napier and Queen Margaret in Edinburgh, will all see cuts of over 10 percent.

Dr. Tony Axon, a research officer for the Universities and Colleges Union, said, "We're concerned about the way the funding council is going down that line of almost ghettoising universities."

College budgets will fall by 9 percent or £53 million. All except 2 of Scotland's 43 colleges will receive teaching budget cuts of more than 10 percent. Last year saw 65 percent of colleges run out of bursary funding, meaning thousands of poorer students had to drop out, according to the National Union of Students. Next year, colleges will receive less than one third of the bursary funding needed to keep up with demand.

The trade unions are collaborating with the SNP administration in these attacks. Unison is working to subordinate all social opposition to various factions of the political elite. In recent advice to the Scottish Parliamentary Local Government Committee, it states that the "massive cuts" are "purely an ideological response" and hopes the government will "adopt an alternative strategy." In the friendliest possible terms, it advises a "fairer taxation" system, while supporting "shared services"—i.e., rationalisations and cuts.

The role of the Education Institute of Scotland (EIS), Scotland's largest teaching union, has been equally treacherous. It plans to launch a national advertising "campaign for a better deal for education and push each of the political parties to set their own manifesto commitments....".

In support of public sector rationalisation, the EIS has advised that schools be taken out of control of Scotland's 32 local authorities and merged under the remit of 12 educational trusts. General Secretary Ronnie Smith said, "Applying economies of scale...could save a considerable amount of money and allow the vital front-line...to be protected."



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