

# Scottish public services face profound cuts and privatisation

Stephen Alexander  
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Barely two months have passed since the Scottish National Party (SNP) took office, after securing a ruling majority in the May 5 Holyrood elections largely by posing as an opponent of the £81 billion austerity programme being imposed by the Conservative/Liberal Democrat coalition. Yet already their electoral pledges to protect frontline services and universal benefits, such as free care for the elderly, along with their commitment to no compulsory redundancies for government employees, have been exposed as lies. The Scottish nationalists have wasted no time in deepening the wholesale attack on the public services that they began during their first term.

The SNP is driving through £1.3 billion in public spending cuts this year, the majority of which are being implemented through “efficiency savings” worth £900 million across local government, education, health and social care.

Over the past year, public sector employment in Scotland has fallen by 11,600, or two percent, to 575,600. A report released in June by accountancy firm Ernst and Young predicted that a further 50,000 public sector jobs would go by 2015.

Local government budgets have been slashed by an average of 2.6 percent, leaving a £450 million funding shortfall. In response local authorities have begun to axe jobs, offload vital services through privatisation, while ditching others altogether. The SNP’s policy of freezing council tax for a fourth successive year, the principle revenue for local government, has simply intensified spending cuts at the local level, shifting responsibility for deeply unpopular decisions away from the Scottish parliament. In coalition with the Liberal Democrats in Fife council, the SNP have carried out 191 compulsory redundancies in the past year alone.

Primary and secondary education, which accounts for around £5 billion of the £11 billion local government budget, has been hit severely. In May, the Convention of Scottish Local Authorities, in cooperation with the Education Institute of Scotland, Scotland’s largest teaching union, imposed £45 million in wage and benefit cuts on

school teachers, including an end to the 35-hour working week.

Colleges and universities have begun to withdraw courses and lay off lecturing and administrative staff, after seeing their £1.8 billion budget slashed by £200 million. The University of Glasgow plans to scrap a drugs research centre and Slavonic studies, as well as cutting liberal arts and social work courses at its Dumfries Campus. The departments of History, Archaeology and Classics will be merged, and the Department of Adult and Continuing Education privatised. The University of Strathclyde, also in Glasgow, is withdrawing music, community education and geography degree courses.

Education Secretary Mike Russell recently confirmed that the SNP intends to bring in legislation allowing Scottish universities to charge students from England, Wales and Northern Ireland up to £9,000 per year from 2012-13—matching the hike in the rest of the UK imposed by the government and five times the current rate. For now Scottish and European students will remain exempt from tuition fees.

In health, the nationalists have axed over 1,600 employees in the past year, including 700 nurses and midwives. In response to the SNP’s £300 million efficiency savings programme for NHS Scotland, health boards are preparing to further reduce the workforce and cut back services.

NHS Lothian is planning £50 million in cuts over the next year, including the axing of 1,000 posts by next March. As well as reducing prescription budgets at a time when the cost of drugs is rapidly escalating, the board plans to save around £5 million through offloading publicly owned buildings. In order to undermine health pay, management is also considering the introduction of a new grade of low-paid generic health workers employed to carry out basic duties.

Greater Glasgow and Clyde health board is planning to address a £55 million budget shortfall by withholding “non-urgent” operations such as the removal of varicose veins and tonsils. It is closing the children’s ward at the Royal Alexandra Hospital in Paisley.

Dr Lewis Morrison, current chair of the British Medical Association, has called the SNP's pledge to protect the NHS "dishonest", warning that services could disappear at short-notice due to staffing and equipment shortages, leaving patients to travel for treatments where services remain. He singled out accident and emergency, maternity, paediatric and head-injury services as the most vulnerable. "There is a danger that we will keep running the same services but they will be worse. Clinical outcomes could suffer there", he said.

Free care for the elderly, which has been in place in Scotland since 2002, is under threat. Douglas Yates, health and wellbeing spokesman for the Convention of Scottish Local Authorities (COSLA), stated, "The current system is not sustainable into the future...many of those who receive free personal care might not do so into the future. They may have to pay for it".

Lord Sutherland, one of the principal architects of free health care in Scotland, has now called for the reintroduction of a system of co-payment, not just for social care but across the NHS. "[I]f there is some charging for care of the elderly, it should apply equally in the health services, and you should treat it all as one pot of money and make your rational decisions across the whole piece", he said.

The sheer extent of the social attacks that will be carried out over the next period was revealed last month in the findings of the government-backed commission on the "Future Delivery of Public Services", led by the former general secretary of the Scottish Trade Union Congress Campbell Christie.

The commission warned that public expenditure in Scotland will fall in real terms by 11 percent, or around £3 billion, by 2014-15, along with a 36 percent drop in capital spending. The annual subvention from Westminster, which makes up the majority of the Scottish budget, has increased on average by five percent annually over the past decade, in line with public spending increases across the UK. This will now be completely reversed as UK spending cuts are passed on to Scotland through the Barnett Formulae, the system by which central government contributions to funding in Scotland, Wales and Northern Ireland are assessed.

The commission anticipates that public spending in Scotland will not return to 2010 levels (approximately £30 billion) in real-terms until 2027. By then, according to the commission's projections, a cumulative shortfall of £39 billion will have opened up in the funding of public services.

In response to looming social devastation, the report recommends that the Scottish government undertake a profound rationalisation of public services, cutting costs through "streamlining functions, exploring organisational mergers, sharing services". It calls for implementing the

recommendations of last year's Independent Budget Review, which concentrated on aggressive efficiency savings, wage restraint, and ending universal benefits such as free prescriptions, elderly care and university tuition.

In conditions of rising unemployment, increasing social deprivation and an ageing population, all driving up demand for vital public services, the report cynically contends that up to 40 percent of all public spending could be avoided through re-focusing public bodies "on reducing demand for services in the longer run...prioritising preventative action, and action to tackle inequalities".

The report recommends that public services move away from "the funding streams of individual organisations" to "place-based approaches", focusing "on the needs of a particular place or a group of people": In other words, the breaking up of national standards of public services, while diverting funding away from public sector organisations and clearing the ground for private providers. To this end, the commission calls for "competitive neutrality between all potential suppliers of public services".

Following to the letter the policies of the Conservative-Liberal Democrat government, the Christie Commission advises that a greater burden for service provision is placed on communities and individuals. Such approaches, it says, "counter the more traditional philosophy where people are treated as passive recipients of services rather than active agents in their own lives".

The SNP government has welcomed the commission's report and convened a cabinet subcommittee to take forward its recommendations.



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