Scottish National Party prepares new round of cuts and job losses

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The Scottish National Party (SNP) government is preparing another round of spending cuts and public sector job losses.

The SNP's annual budget and legislative programme will sacrifice the jobs of public sector workers and squeeze all areas of social spending, while consolidating the party's grip on the levers of state power in Edinburgh.

SNP Finance Minister John Swinney is on a course which, according to Glasgow University's Centre for Public Policy for Regions (CPPR), will have reduced public spending in Scotland by around 18 percent in real terms by 2016/7. The CPPR calculates that Swinney will have implemented only one third of his proposed revenue cuts by the end of this fiscal year. Three quarters of capital spending cuts are already in place.

The 2013-14 budget, some £28 billion, announced by Swinney in September, includes a 1 percent pay increase for the 8 percent of public sector workers, mostly civil servants and some National Health Service staff, directly paid from Scottish government funds. With inflation running at around 3 percent, this is effectively a pay cut, following successive years of outright pay freeze.

This figure will also set a marker for the remainder of the 580,000 public sector workers, mostly employed by local authorities and local health boards. But Swinney has again sharply limited the cash available to local authorities by freezing the level of Council Tax, meaning that even the 1 percent pay "increase" will only be available to the extent cuts are made somewhere else. Thirty thousand public sector jobs have been removed over the last two years, including 16,000 last year alone.

In response, local authorities are beginning to set out plans for a new round of cuts that will further impact the most vulnerable.

North Lanarkshire, run by the Labour Party, has announced the "worst ever cuts" that threaten 1,300 jobs and a range of vital services. The authority has published proposals to cut 10 percent of its staff, saving up to £105 million, on top of 600 jobs that have already gone since 2010.

The council's list of proposed cuts includes closing two care home and social work offices, increasing charges for cemeteries, citizen's advice and pest control, and reducing the frequency of rubbish collections.

It is education that comes in for the bulk of the cuts. Eight schools are to be "amalgamated" into four, school swimming pools are to be closed and school crossing patrols cut. There is to be a £543,000 reduction in school janitorial service, classroom assistants and additional education support staff will be scrapped, school meal prices increased, and eligibility for free school transport restricted.

While the council is passing on cuts imposed by Swinney, the authority is also imposing the cost of the previous Labour government's policy of Public Private Partnerships (PPP). North Lanarkshire has channelled some £67.5 million directly into private hands through the "Transform Schools North Lanarkshire" private PPP consortium and will continue to do so for the next 20 years or more.

Glasgow City Council, also Labour controlled, is looking to cut another 1,000 jobs this year, on top of 3,000 lost since 2010. Cuts are likely to fall most heavily on the social work and education budgets, while new "joint ventures" with the private sector for the operation of basic services such as roads and street

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lighting are being proposed.

Extrapolated across Scotland, this level of cuts threatens 50,000 workers jobs and all those dependent on vital council services.

Swinney's budget removes nearly £1 billion of spending from local authority control, in line with the SNP's move to centralise fire services and particularly the police under Edinburgh's sway. The new Police Service of Scotland will be established next year, at the cost of 3,000 support workers jobs. Similar losses in the Fire Service are to be expected.

The budget plans are consistent with new measures outlined in the SNP's legislative programme in early September, which proposed major inroads by private capital into public spending.

The SNP aims to introduce a Procurement Reform Bill to open up £9 billion of public spending to "business-friendly" purchasing policies. A Better Regulation Bill is intended to "modernize the planning system", to reduce environmental obstacles to profit making, particularly in the construction industry.

An Adult Health & Social Care Integration Bill will press ahead with measures already passed in the government's Self-Directed Support (Scotland) Bill, designed to break up council-run social services under the guise of offering "choice" to the most vulnerable in society. The Bill seeks to merge local authority and health board run services and establish "integration of budgets" and "mechanisms to strengthen the role of clinicians and care professionals, the third and independent sectors".

In other words, the Bill intends to rationalise away thousands of health administration jobs, while chiselling open further opportunities for the expansion of private and semi-private health provision.

In response, the Labour Party has moved even further to the right, staking out a position which involves the end of all free provisions, while calling for much greater tax varying powers for the Scottish government.

Labour leader in Scotland, Johann Lamont, has indicated that Labour will do away with such services—prescriptions, university tuition fees to Scottish students, and care for the elderly—that remain free in Scotland because of the higher level of public spending maintained thus far by the Barnett formula.

According to Lamont, "Scotland cannot be the only something- for-nothing country in the world". The free, universal services are, in Lamont's eyes, "unsustainable tax breaks for the rich".

Lamont points to the SNP using the Council Tax freeze to impose local government spending cuts without taking any political fallout.

Labour's view, reflecting its continued influence in local government, and backed by the public service trade unions, is that Council Tax costs, which fall most heavily on working class areas, should be drastically increased.

Notwithstanding their bitter differences over Scottish independence, Labour in Scotland and the SNP are both right wing pro-capitalist parties, seeking only the most effective way of ingratiating business circles by drastically driving down public spending.

None of this prevented the middle class ex-left groups such as the Scottish Socialist Party from continuing to champion Scottish independence and cementing their alliance with the SNP. A recent demonstration held in Edinburgh attracted between 5,000 and 10,000 supporters of a "Yes" vote in the expected referendum in 2014.

The demonstration, vigorously supported by the ex-lefts, and presented as indicating growing momentum towards independence, was organised by Jeff Duncan, whose other activities include managing a campaign to save Scottish-based army regiments.

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