

Scottish National Party budget delivers another round of cuts

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Less than a month after their independence referendum defeat and in the midst of an unprecedented membership surge, the Scottish National Party (SNP) delivered another right-wing, cost-cutting budget aimed at serving the interests of their business allies.

The Scottish government's October draft budget for 2015-16 cuts 1.7 percent, some £500 million, from total authorised spending of just over £30 billion.

This brings total public spending cuts in Scotland since 2010 to around 10 percent in real terms, with the worst still to come. Over the same period, capital spending has been cut by 26 percent.

Since the onset of austerity following the 2008 financial crisis, the SNP has avoided political responsibility by blaming it on Scotland's 300-year-long status within the United Kingdom. As a result, the SNP, aided by its Green Party and ex-left allies in the "Yes" campaign, were able to convince 45 percent of voters in the September 18 referendum that Scottish independence was a viable response to austerity.

In fact, the SNP government has imposed spending levels set by the Conservative and Liberal Democrat coalition in Westminster, while configuring the allocation of resources to its own ends.

The budget will impact most on public-sector workers, large numbers of whose pay has been capped at a below-inflation 1 percent pay rise. Vital local government services will suffer further blows with the SNP again freezing council tax payments.

Delivered by Scottish Finance Minister John Swinney, the budget generated a number of reports, alarms and protests against its consequences. Doctors' organisation, the Royal College of General Practitioners Scotland, warned that Scottish government proposals to freeze GP funding amounted to a 2.2 percent funding cut. Chair John Gilles warned

this would have "dangerous consequences for patients in the light of continued underfunding" and members of the society presented a petition to the Scottish government calling for higher GP funding.

A brief scan of the budgetary statement reveals that almost every area of health-related spending has been frozen. Dental services, ophthalmic services, health screening, tobacco control, MRSA screening have all been frozen, while the alcohol misuse budget, in a country with a notorious and deeply-rooted culture of heavy drinking, has been cut.

The Association of Directors of Education in Scotland, John Stodter, warned in a submission to the Scottish parliament that "level of support for pupils in schools, e.g., support assistants, breakfast clubs and study support... auxiliaries, after-school care, sports, culture and leisure clubs may well be reduced."

Stodter continued, "there are no easy reductions in most council education services—these have already been implemented." He also noted that the Scottish government had removed financial sanctions for schools, increasing class sizes. As a result, reductions in teaching staff were likely.

According to the teachers union, the Educational Institute for Scotland, around 4,000 teaching jobs have disappeared since 2007, when the SNP took office. Another union, the Scottish Secondary Teachers Association, warned that despite overall education spending being reduced by 5 percent over the last three years, further major cuts are likely.

Local authorities have warned of further cuts in the immediate future. Glasgow City Council, on the basis of funding packages offered from the Scottish government, is anticipating cuts of up to £100 million over the next three years. The city's block grant has been cut by £13 million this year alone and another

trawl is being made for “voluntary” redundancies.

One typical measure is the city council’s 40 percent reduction in funding the popular Glasgow Association for Mental Health (GAMH). Employing 120 staff, GAMH offers support to as many as 1,000 people weekly with a wide range of mental health problems, many of whom will receive no support should the service collapse. Deprived of GAMH, service users for the citywide charity will only come to the authorities’ attention when they are in prison, hospitalised or in the midst of a social-work emergency.

Highland Council, run by an SNP-led coalition, recently announced 1,000 jobs would be shed over the next five years, while school days would be made shorter, and teacher numbers reduced.

Labour-run East Renfrewshire, as part of its “Shaping the Future” scheme to cut £20 million and shed 200 workers, has floated a proposal to drastically reduce the working hours of its school librarians while encouraging senior pupils to take over the running of the service. The document includes an array of other penny-pinching measures such as saving £164,600 by axing a garden assistance scheme for elderly people. £600,000 is to be raised by selling the entire residential care service for the elderly “to a third sector or private provider.”

While public-sector workers, young, elderly and vulnerable service users bear the impact of the cuts, the SNP budget also includes measures directly aimed at servicing its support base in the management of small- and medium-sized business.

The budget statement boasts a reduction in “the tax burden on businesses by around £615 million in 2015-16 through our business rates relief package”. Swinney offered new opportunities for “reform” of public services by “partnership working between the public sector, third sector, business and local communities”—in other words, further privatisation, semi-privatisation and hiving off of vital services to charities and voluntary groups.

Shortly after the budget announcement, the Scottish government told a National Public Procurement Conference in Glasgow that the SNP-instigated Public Contracts Scotland online portal had doubled to 12,000 the number of public-sector contracts won by “home”, i.e., Scottish, companies. Swinney announced Scotland as “the best place in Europe to do business with the

public sector.”

Media reporting of Swinney’s budget concentrated on a new tax—the Land and Building Savings Transaction Tax—on property sales above the low value of £135,000. Because the tax increases fairly rapidly beyond the figure of £325,000 in proportion to the value of the house, this was presented as a measure to “clobber the rich,” as a *Times* correspondent put it. It is, of course, nothing of the sort, being little more than a marginal tinkering with a previously UK-administered tax.

Not a few workers and young people have been taken in by the deluge of “Yes” propaganda promising all manner of riches in the event of independence. But those new members with most to gain, and most likely to stay in the SNP, are those seeking to benefit from the further destruction and selloff of social and welfare services.

Above all, this includes the ex-left. Last week, at the SNP’s annual conference, the party approved arrangements whereby prominent “Yes” campaigners who are not SNP members can be adopted as parliamentary candidates for “SNP–Yes for Scotland”. The notion of joint candidates, approved by the ex-left Scottish Socialist Party, opens the door to the ex-left winning lucrative parliamentary seats on the back of the SNP membership surge.



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