

STIRLING FULL TIME WORKERS SUFFER WORST DROP IN LIVING STANDARDS IN SCOTLAND AS REAL VALUE OF EARNINGS FALLS BY 17.2% DUE TO 'BANKERS RECESSION' AND STALLED RECOVERY

These figures show that the Government's strategy for an economic recovery is in tatters as living standards in Scotland drop by 4.1% says GMB

Full time workers resident in Stirling have suffered the worst drop in living standards in Scotland. The real value of their average gross earnings have fallen by 17.2% between April 2007 and November 2011, due to 'bankers recession' and stalled recovery.

Scottish Borders' full time workers suffered the next worst fall in living standards in the country with a drop of 15.6%, followed by Eilean Siar with a drop of 14.2%, the Orkney Islands and Clackmannanshire with drops of 11.6% and Angus with a drop of 11.3%. In East Ayrshire the real value of average earnings for full time workers is down by 11.1%, in Shetland Islands they are down by 9.8%, down by 9.4% in South Lanarkshire, down by 9% in North Ayrshire and down by 7.8% in East Dunbartonshire. Living standards are down by 7% in Edinburgh, 6.8% in Perth and Kinross, 6.4% in Dundee and down by 6.3% in both Highlands and North Lanarkshire. Living standards have also fallen in five, Midlothian, Glasgow, Argyll and Bute, Aberdeenshire, Renfrewshire and Aberdeen City. In only 8 out of the 31 areas of Scotland have the movement in average earnings for fulltime workers kept pace with the rate of inflation over the same period. These are Falkirk, Dumfries & Galloway, South Ayrshire, East Lothian, West Dunbartonshire, Inverclyde, West Lothian and East Renfrewshire.

These figures are from a new analysis by GMB of official earnings data. The table below shows the change in living standards for all 31 areas of Scotland, between April 2007 and November 2011. There were no figures available for Moray. For Scotland as a whole the living standards of full time workers have fallen by 4.1% in this period. The fall for the UK as a whole is 5.9% and for England is 6.2% during the same period.

In the analysis GMB looks at the figure for annual average gross earnings of full time workers in each area from official ASHE data for April 2007 from ONS before the recession kicked in. This figure is compared with the figure for annual average gross earnings for the same area from ASHE for April 2011. The changes shown in annual average earnings between these two periods, plus an uprating for wage increases to September 2011 are measured against inflation over the same period to calculate the real change in the value of these earnings. See Notes to Editors for sources and inflation details.

		Mean gross annual (£) - full-time			Drop in real value of earnings from April 2007 to November 2011*
		2007 £	2011 £	Change £	
	United Kingdom	30,015	32,837	2,822	-5.9
	England	30,852	33,661	2,809	-6.2
	Scotland	27,114	30,140	3,026	-4.1
rank					%
1	Stirling	37,395	36,687	-708	-17.2
2	Scottish Borders	26,872	26,783	-89	-15.6
3	Eilean Siar	24,347	24,603	256	-14.2
4	Orkney Islands	28,558	29,600	1,042	-11.6
5	Clackmannanshire	27,065	28,053	988	-11.6

6	Angus	25,173	26,173	1,000	-11.3
7	East Ayrshire	27,166	28,305	1,139	-11.1
8	Shetland Islands	29,665	31,283	1,618	-9.8
9	South Lanarkshire	26,755	28,331	1,576	-9.4
10	North Ayrshire	26,496	28,168	1,672	-9.0
11	East Dunbartonshire	33,064	35,553	2,489	-7.8
12	Edinburgh, City of	32,167	34,821	2,654	-7.0
13	Perth & Kinross	27,038	29,319	2,281	-6.8
14	Dundee City	24,209	26,352	2,143	-6.4
15	Highland	24,931	27,178	2,247	-6.3
16	North Lanarkshire	24,566	26,782	2,216	-6.3
17	Fife	25,653	28,496	2,843	-4.2
18	Midlothian	25,842	28,815	2,973	-3.8
19	Glasgow City	25,085	28,331	3,246	-2.3
20	Argyll & Bute	23,979	27,131	3,152	-2.1
21	Aberdeenshire	30,235	34,270	4,035	-1.9
22	Renfrewshire	26,484	30,032	3,548	-1.9
23	Aberdeen City	30,629	34,786	4,157	-1.7
24	Falkirk	24,451	28,296	3,845	0.4
25	Dumfries & Galloway	24,126	28,275	4,149	1.9
26	South Ayrshire	27,479	32,500	5,021	3.0
27	East Lothian	28,425	33,786	5,361	3.6
28	West Dunbartonshire	23,937	28,517	4,580	3.9
29	Inverclyde	23,326	28,202	4,876	5.6
30	West Lothian	26,000	32,532	6,532	9.8
31	East Renfrewshire	31,223	39,320	8,097	10.7

Harry Donaldson GMB Scotland Secretary said, **“These figures show that the Government’s strategy for an economic recovery is in tatters as living standards in Scotland drop by 4.1%.**

George Osborne has the economic literacy of a stick of rhubarb.

Full time workers resident in 23 out of 31 areas in Scotland have seen the value of their earnings drop when they have a job. Things have got a lot worse in the past year as the recovery underway at the time of the election stalled and the region is mired in a new recession.

Two thirds of the economy is consumer driven and Osborne must be the only person who does not get it. Squeezing wages, pay freezes and cutting jobs will not restart the economy. Using the IMF measures his cuts will reduce real private consumption by 4% and GDP by 3.4% over the next few years.

I doubt if the electorate had any notion that a change of government would lead to a loss of 376,000 jobs across the UK and 36,000 in Scotland, in the public sector, in the short time since the general election. When the ‘same old Tories’ were returned to power they brought with them the same old philosophy that “if it’s not hurting it’s not working.”

Ends

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Notes to Editors:

1 **2007-2011 Annual Survey of Hours and Earnings - residence based** *Source: Table 7.7a, Annual Survey of Hours and Earnings, Office for National Statistics. Crown Copyright Reserved*

2 In the analysis GMB looks at the figure for annual average gross earnings of full time workers in each area from official ASHE data for April 2007 from ONS before the recession kicked in. This figure is compared with the figure for annual average gross earnings for the same area from ASHE for April 2011. The changes shown in annual average earnings between these two periods, plus an uprating for wage increases to September 2011, are measured against inflation over the same period to calculate the real change in the value of these earnings.

3 Between April 2007 and November 2011 inflation has been 16.1%, of which half (7.65%) has taken place since April 2010.