

The facts & the fixes:

Austerity

In brief: Public spending cuts (known as austerity) have brought unnecessary hardship and misery on broad swathes of the UK population. It is a political project designed to shrink the size of the state, and it has no basis in people-centred economics.



How can we un-do the damage of austerity?

Austerity has viciously attacked our public services, ripped the social safety net and damaged the economy. We desperately need to move away from agenda of 'balancing the books' to pro-investment that boosts jobs and increases public finances.

1 — A £50 billion investment. There is evidence to suggest that austerity is downsizing our economy by £100 billion every year.¹ An injection of £50 billion would mean an end to austerity to stop the cuts, and bring public spending back to a pre-2010 level.²

2 — Cancel household debt. Household debt has now reached record levels which is trapping families into hardship and fuelling a debt-driven economy. Creating a household debt cancellation fund - to cancel the inevitable hardship placed on families and individuals through debt - would help households participate in the real economy.³

3 — Roll out universal basic services. We already have universal basic services in health and education but we need much more progressive vision that includes homes (through a radical expansion of social housing); food (for those who are food insecure) and transport; and free access to information (broadband and tv).⁴

4 — Establish a National Investment Bank. The UK is stuck in a low wage, low-investment, low-productivity cycle. A national investment bank with a ‘mission-orientated focus’ and wide mandate can guide investment into the regions and sectors where we need to re-balance our economy, and drive the transition to a green economy.⁵

5 — Promote ‘wage-led growth’. Our current growth model is dependent on private debt. This is an unsustainable model so we need to encourage wage-led growth where we properly reward workers for the job they do. In order to achieve this we must strengthen the rights of trade unions such as extending collective bargaining in sectors of the economy, and an end to precarious and zero-hours contracts.⁶

**1,000 Sure Start centres
have closed since 2009 which
represents a drop of 30%.⁷**



**The amount of money being
spent on English schools per-
pupil has fallen by 8% since
2010.⁸ This means that 91%
of all schools have had some
form of per-pupil funding
reductions.**



By 2019-20, funding per young person in further education will be around the same as it was in 2006-07.⁹



Despite previously being free, many further education courses were made chargeable in 2013/14. In the following year, student numbers fell by 30%.¹⁰



From 2010/11 to 2016/17, there was a **49% reduction** in government funding for local youth justice services, a **51% reduction** in community safety services and a **46% reduction** in local recreation and sport initiatives.¹¹



More than 75% of England's local authorities slashed their spending on domestic violence refuges – by nearly a quarter (24%) – between 2010 and 2017.¹²

-24%



Austerity measures have disproportionately hit those on lower incomes, women and ethnic minorities.¹³



The public sector pay cap has cost millions of nurses, civil service workers, firemen and a whole range of other professions thousands in lost earnings since its imposition in 2010.¹⁴

Civil service numbers have been dramatically cut since 2010, with overall staff numbers having shrunk by a fifth at its lowest point in 2016.

Austerity has been linked with an **extra 120,000 deaths** between 2010 and 2017 as a result of cuts to health and social care services.¹⁵

