

UNDERSTANDING
SCOTLAND 

ECONOMIC ATTITUDES AMID THE COST OF LIVING CRISIS

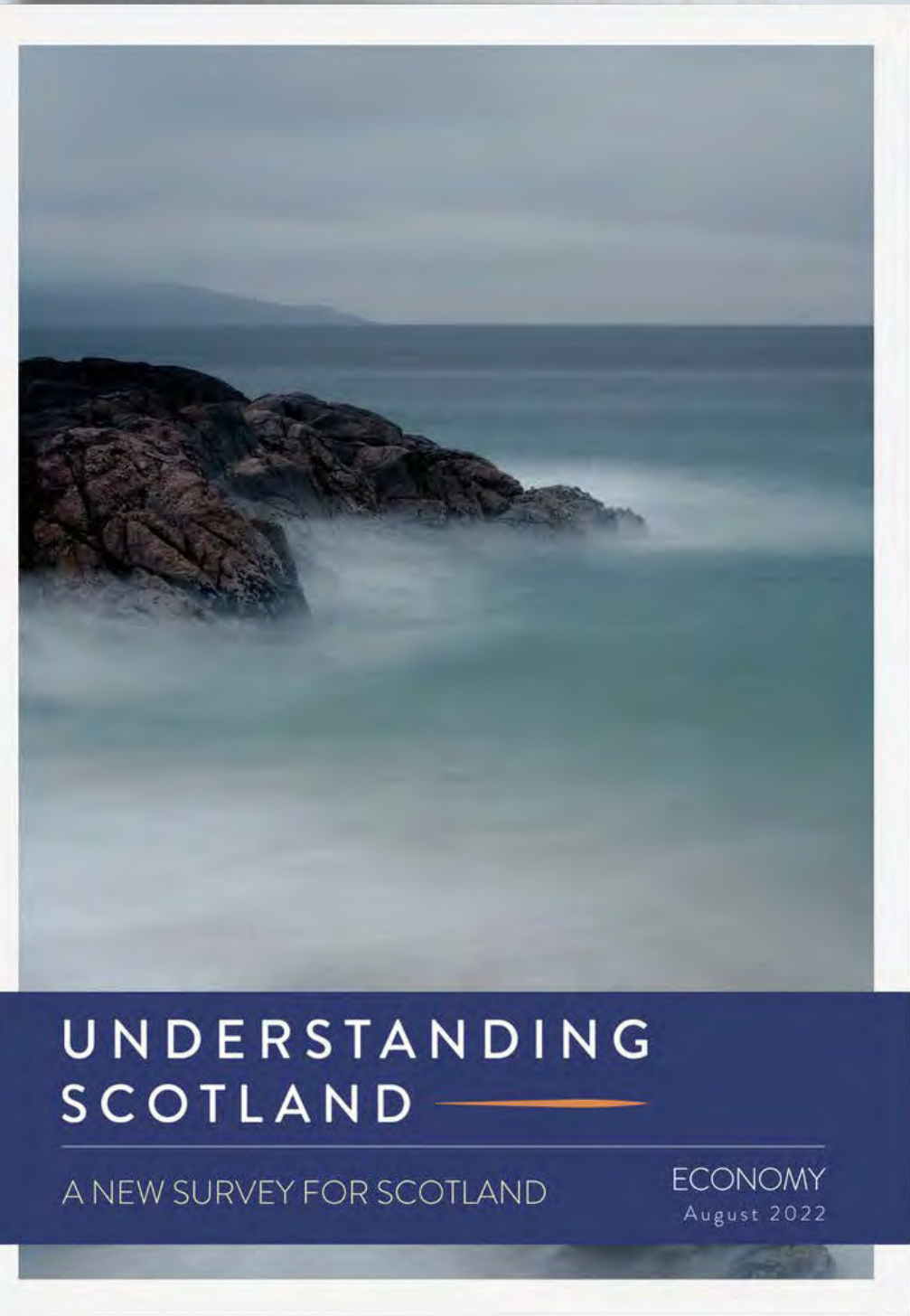
AUGUST 2022



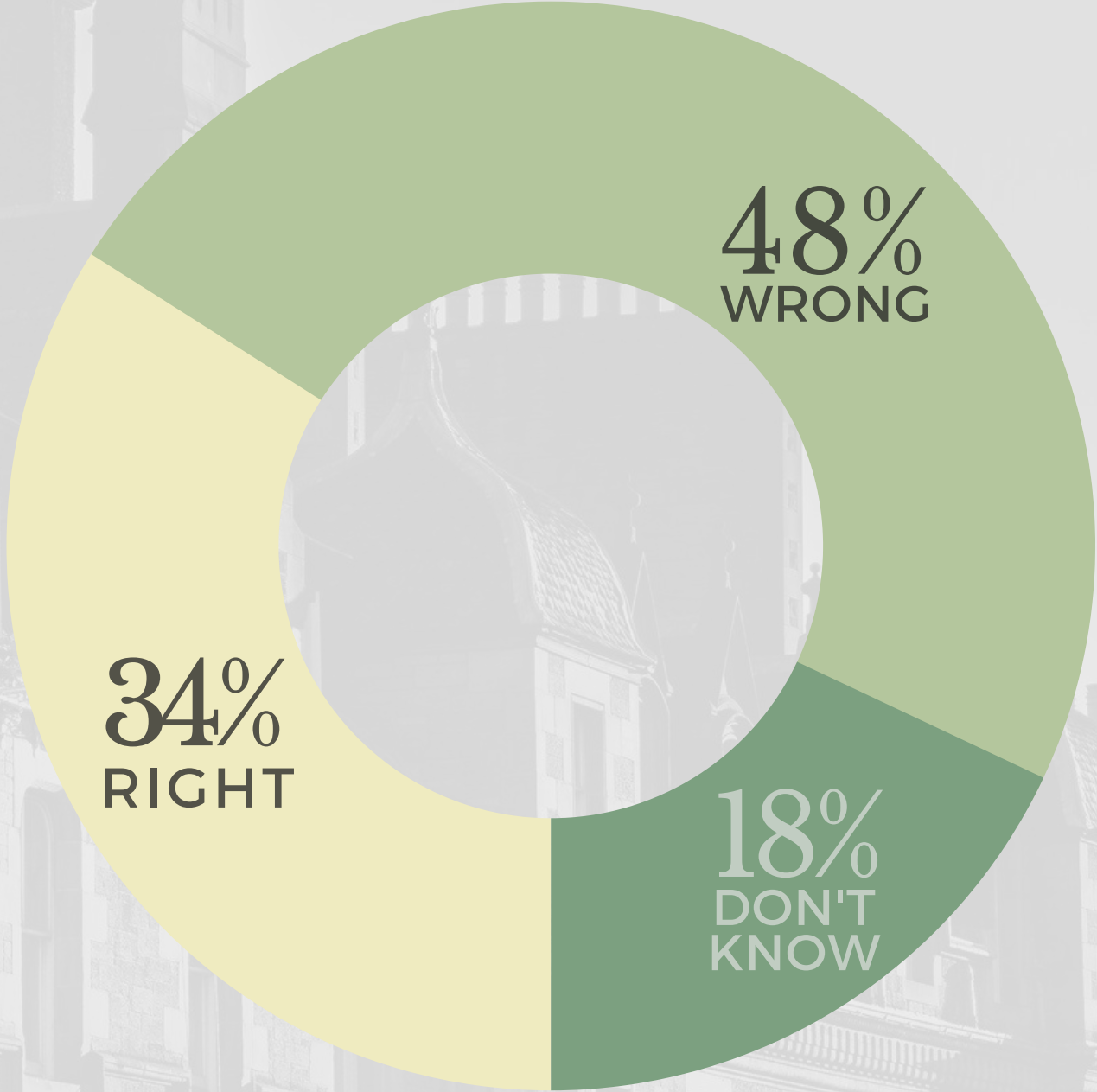
ABOUT UNDERSTANDING SCOTLAND

Understanding Scotland is a new quarterly survey tool measuring the most important facets of our lives and decision-making in Scotland: our society, economy, and environment.

The survey was designed by Diffley Partnership and the David Hume Institute, and invitations were issued online using the ScotPulse panel. Fieldwork was conducted between the 4th - 8th August 2022, and received 2,227 responses from the adult population, aged 16+, across Scotland. Results are weighted to the Scottish population (2020 estimates) by age and sex.

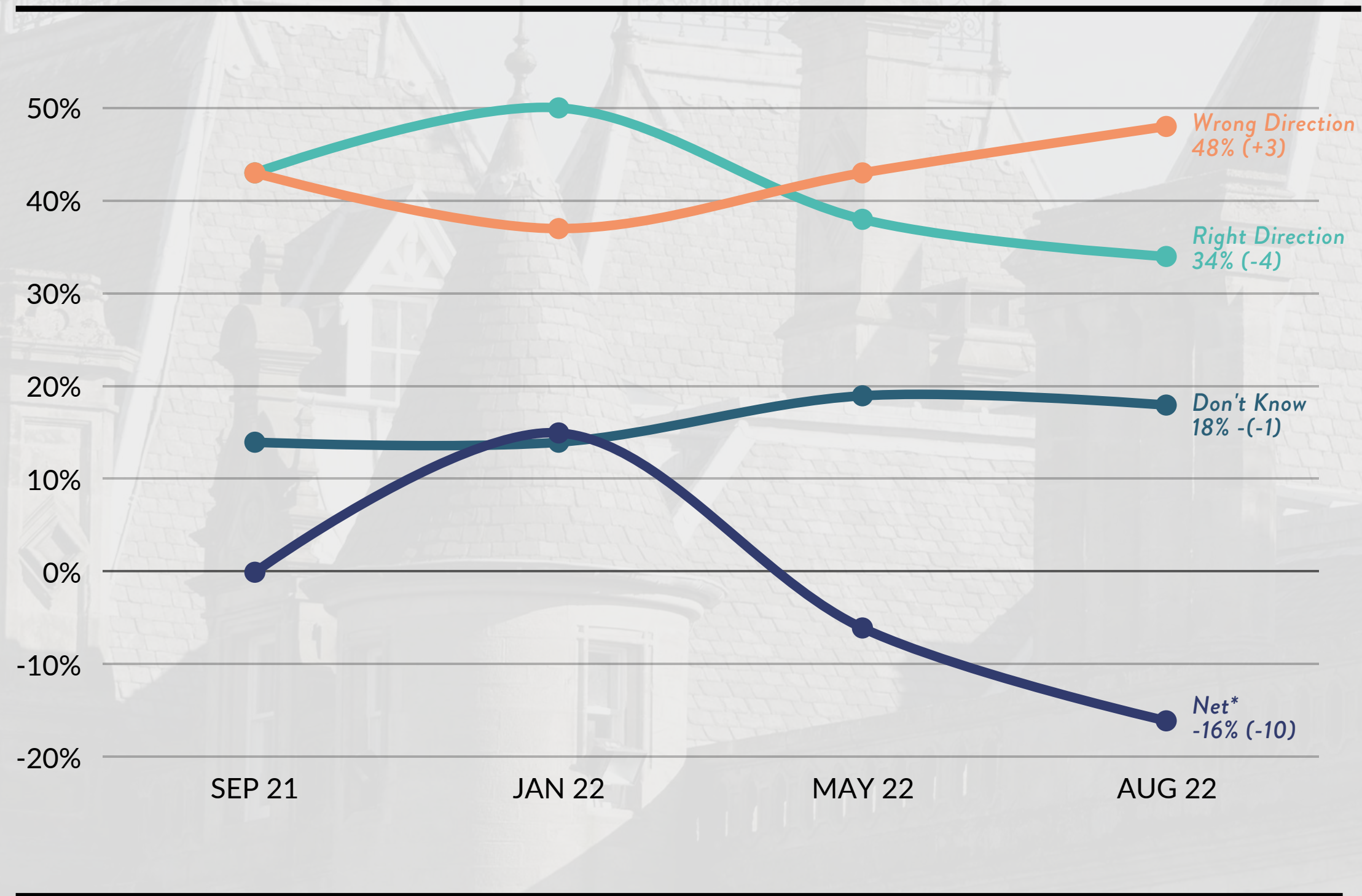


SCOTLAND'S DIRECTION OF TRAVEL



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Proportion of people saying that things in Scotland are going in the right and wrong direction



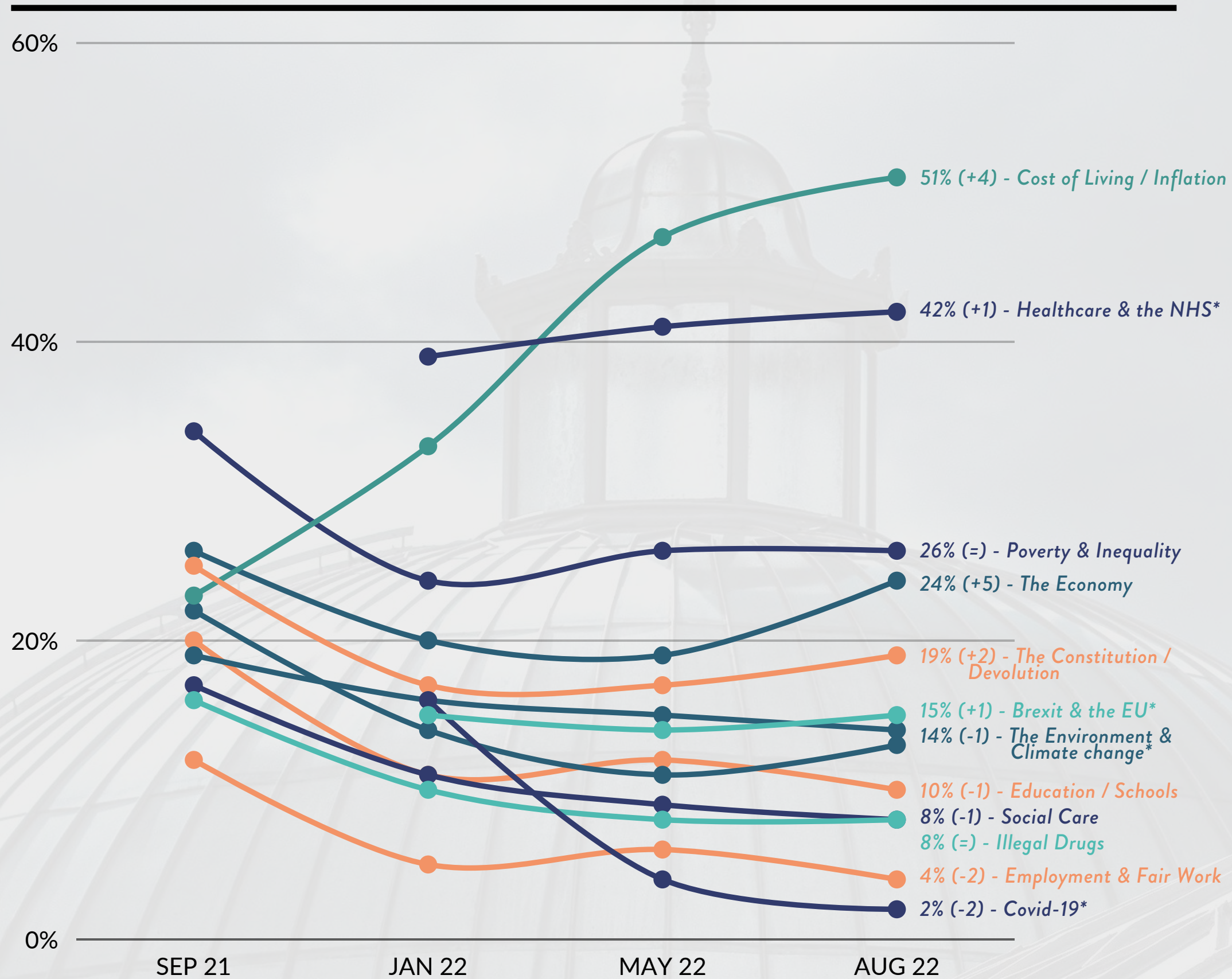
Generally speaking, do you think things in Scotland are heading in the right direction or the wrong direction?

* Net of the proportion saying 'Right' minus the proportion saying 'Wrong', excluding those answering 'Don't Know'

Changes in brackets since May 2022

PRIORITIES & ISSUES OVER TIME

Proportion of respondents citing each matter as one of the top three issues facing Scotland

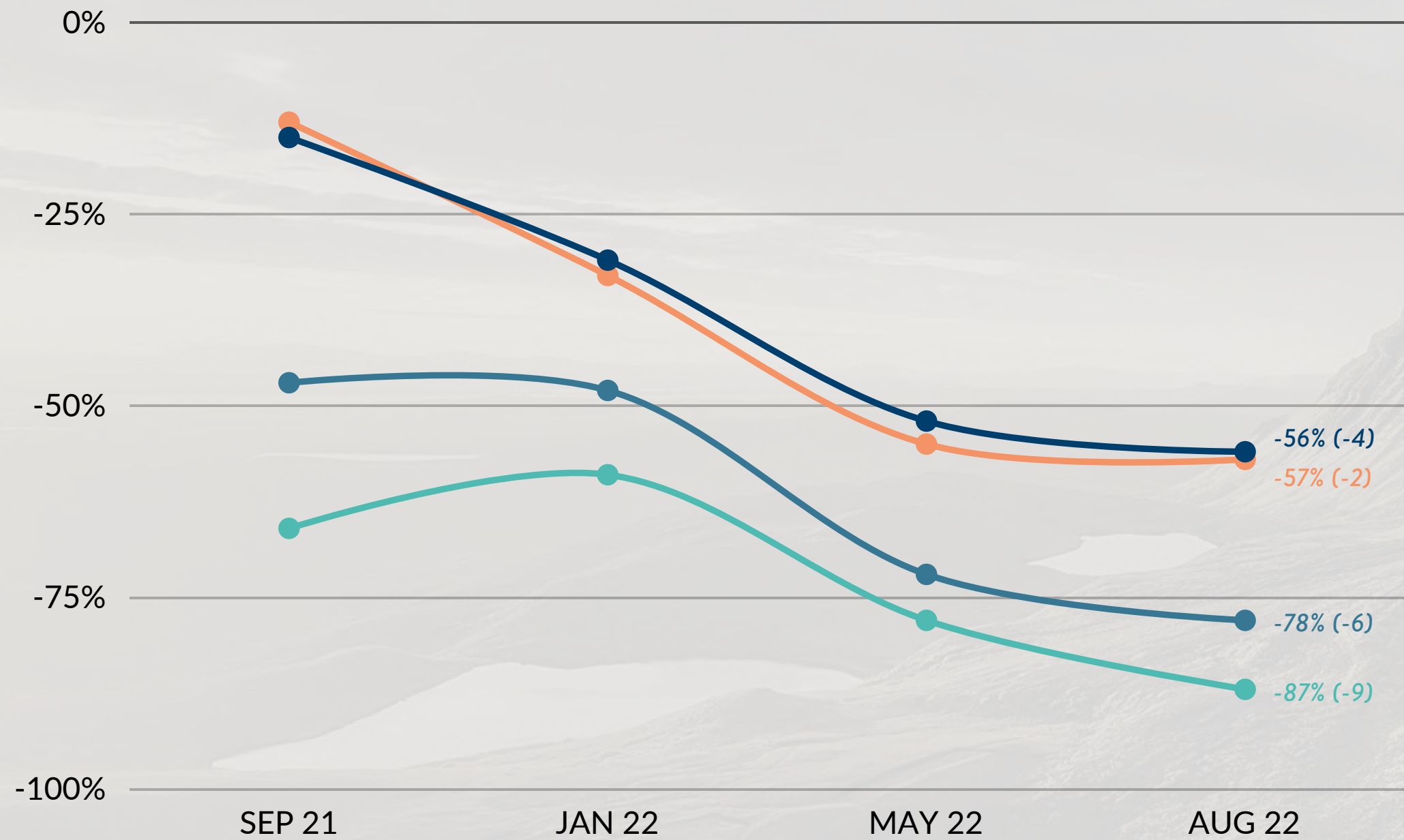


And what do you think are the three most important issues facing Scotland today? (Not all answer options shown)
 N.B. An asterisk denotes a new or changed answer item since the first wave in September 2021. Changes in brackets since previous quarter

ECONOMIC & FINANCIAL OPTIMISM OVER TIME

'Net' proportion of people reporting/predicting an improvement in financial and economic conditions minus the proportion reporting/predicting a deterioration.

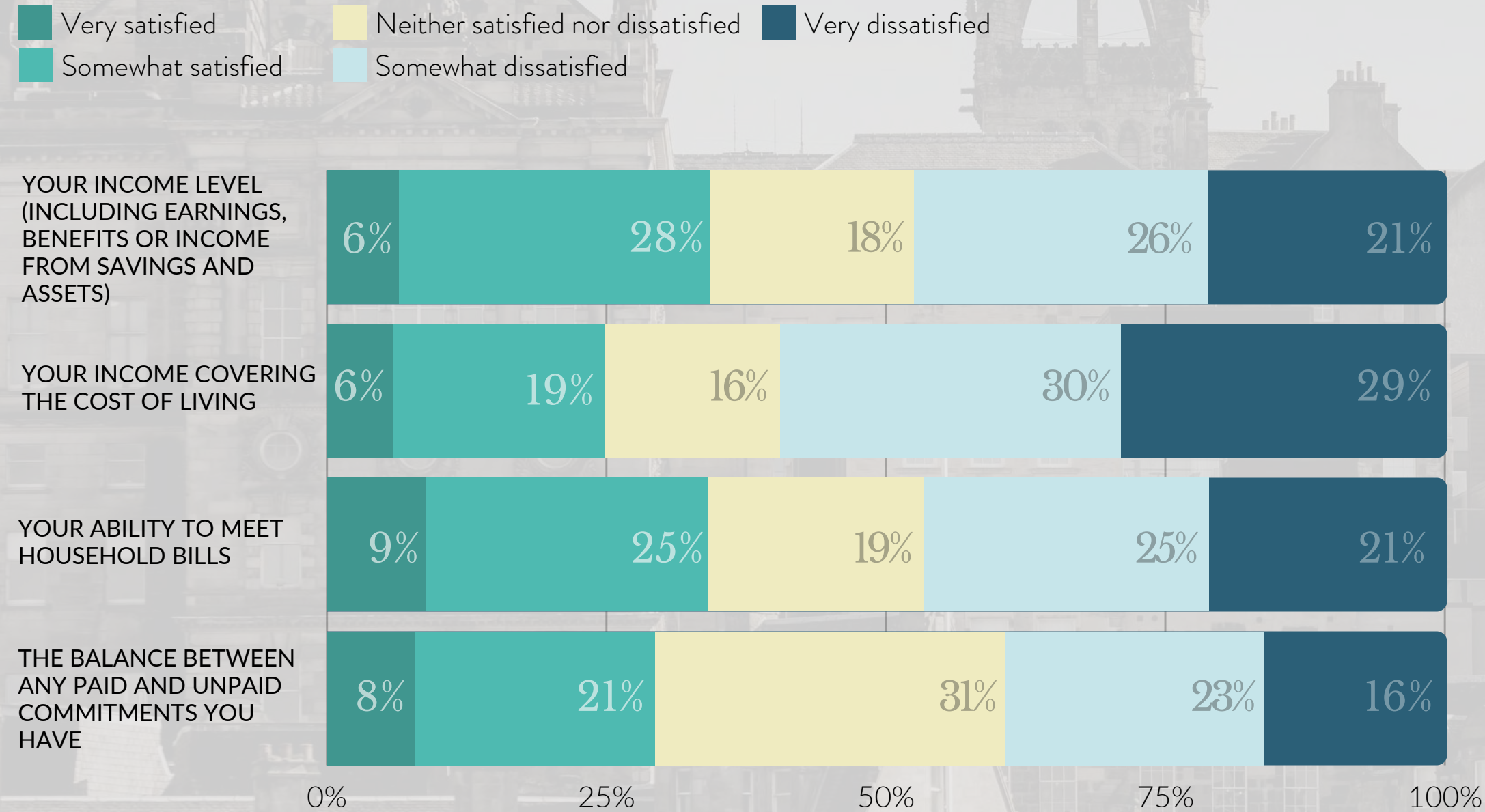
- Compared to the past 12 months, do you believe that general economic conditions are better or worse now?
- Compared to the past 12 months, do you believe that your own financial situation/circumstances are better or worse now?
- Compared to now, do you believe that general economic conditions will be better or worse over the next 12 months?
- Compared to now, do you believe that your own financial circumstances will be better or worse over the next 12 months?



Changes in brackets since the previous quarter

WORK AND INCOME SATISFACTION

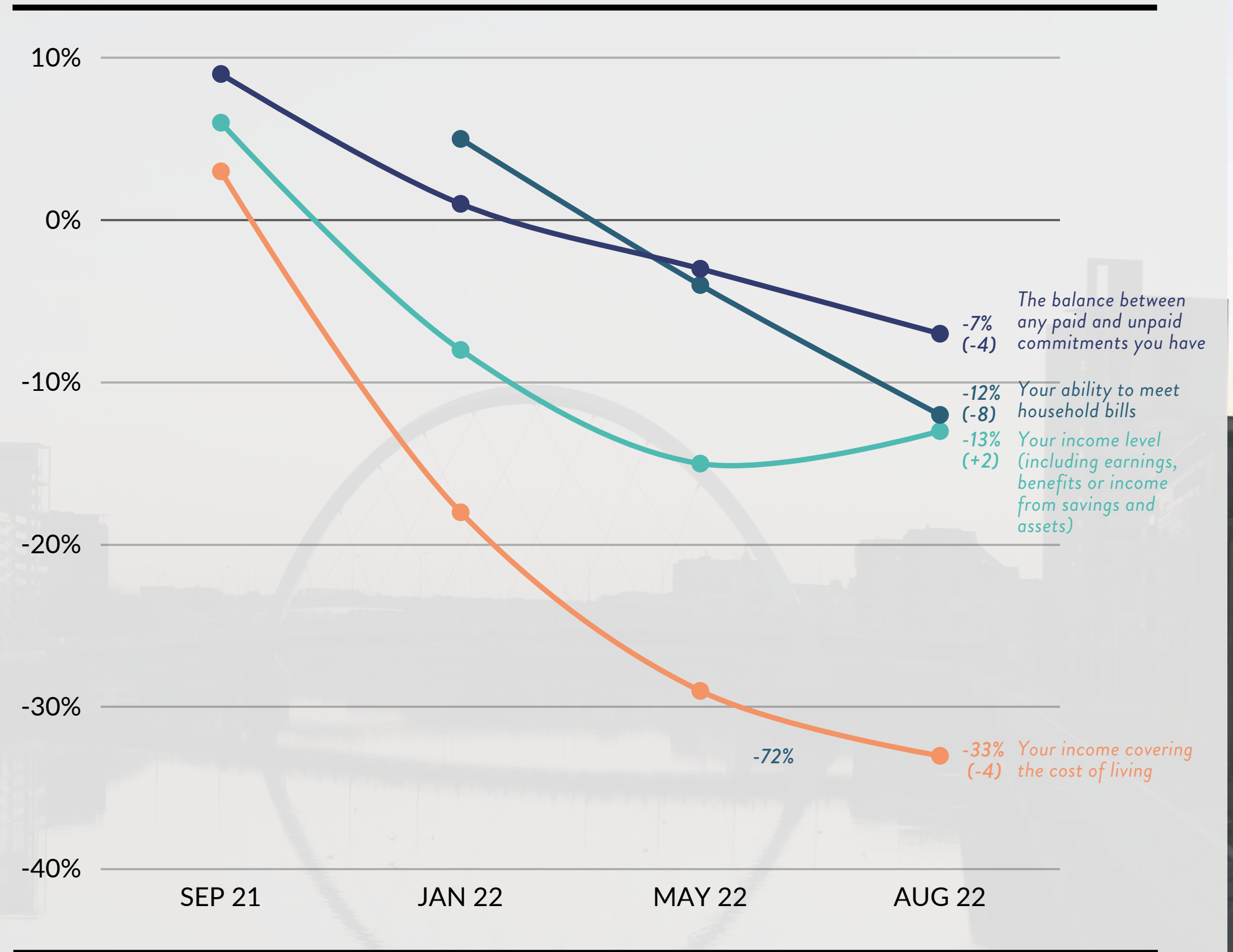
Proportions of respondents reporting satisfaction and dissatisfaction with their income levels and adequacy, and their work-life balance (excluding those answering 'Don't know' or 'Not applicable')



How satisfied are you with the following?

INCOME ADEQUACY OVER TIME

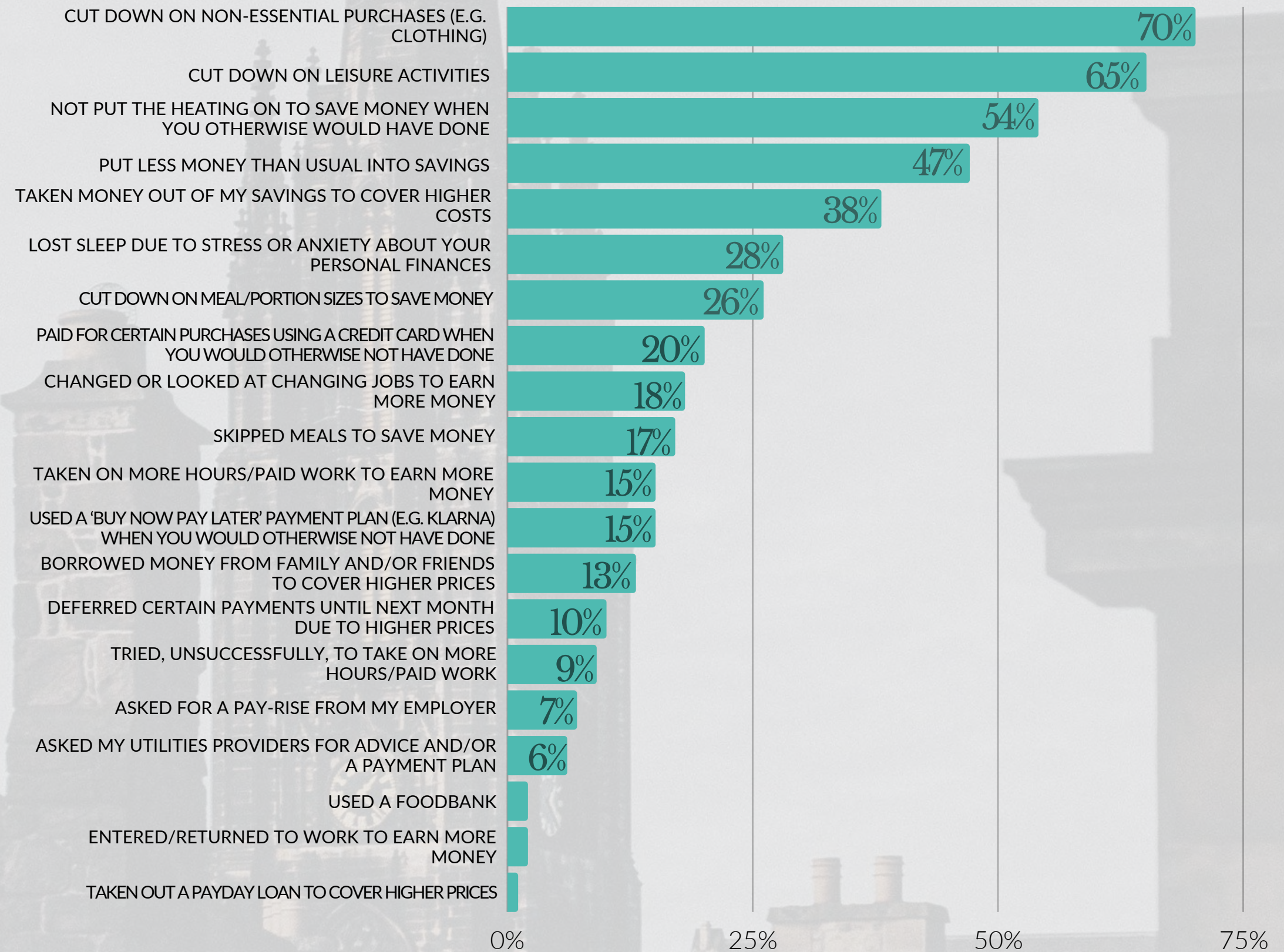
Net satisfaction with income levels/adequacy and work-life balance. ('Net' proportion of people reporting satisfaction minus the proportion reporting dissatisfaction)



How satisfied are you with the following? Changes in brackets since the previous quarter

RESPONSES TO THE COST OF LIVING CRISIS

Proportions of respondents saying that they have done each of the following in response to rising prices

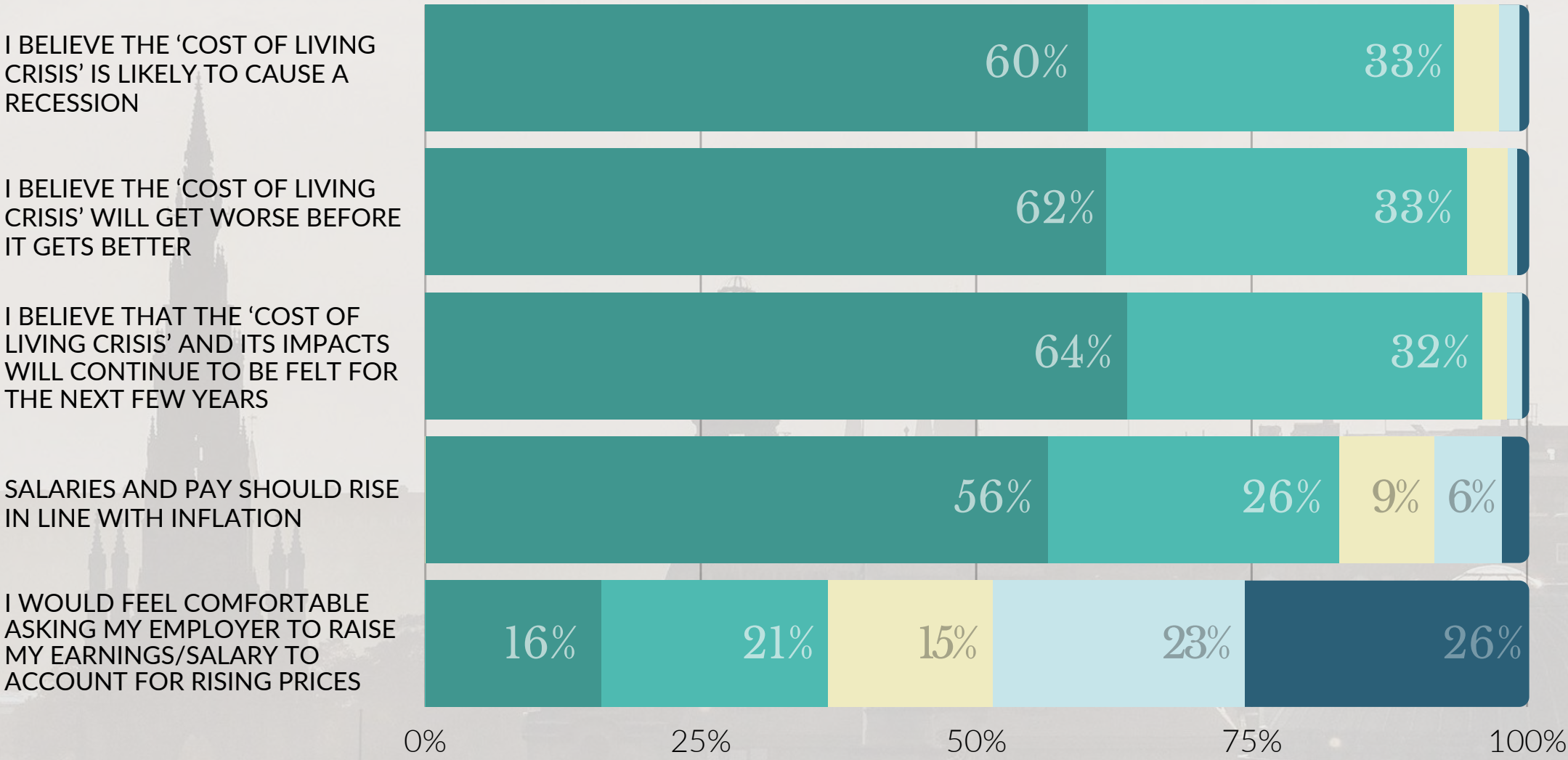


Which of the following have you done in response to the so-called cost of living crisis?

COST OF LIVING: ATTITUDES & EXPECTATIONS

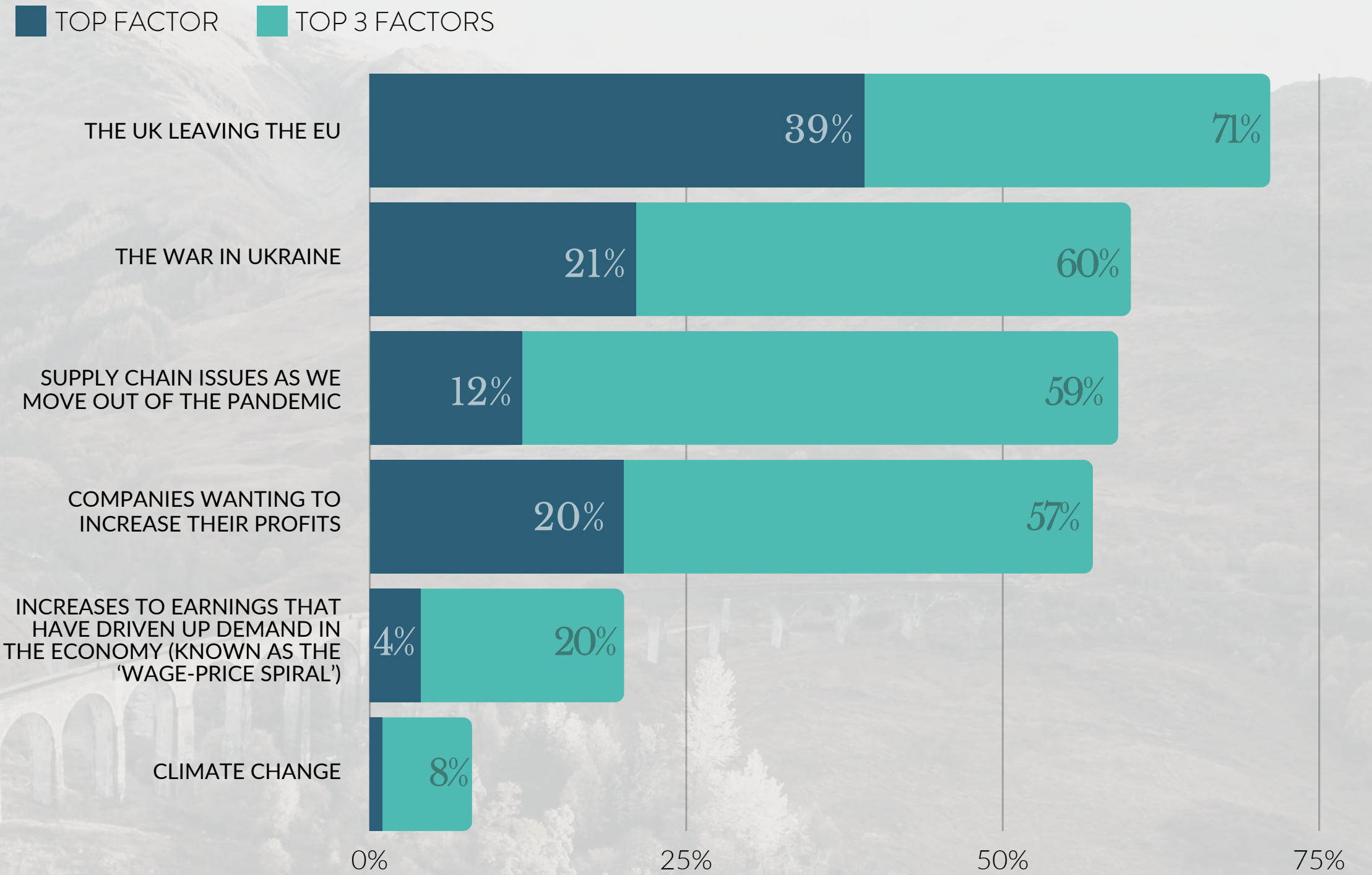
Proportions of respondents agreeing and disagreeing with the following statements (excluding those answering 'Don't know' or 'Not applicable')

Strongly agree Somewhat agree Neither agree nor disagree Somewhat disagree Strongly disagree



COST OF LIVING: PERCEIVED CAUSES & DRIVERS

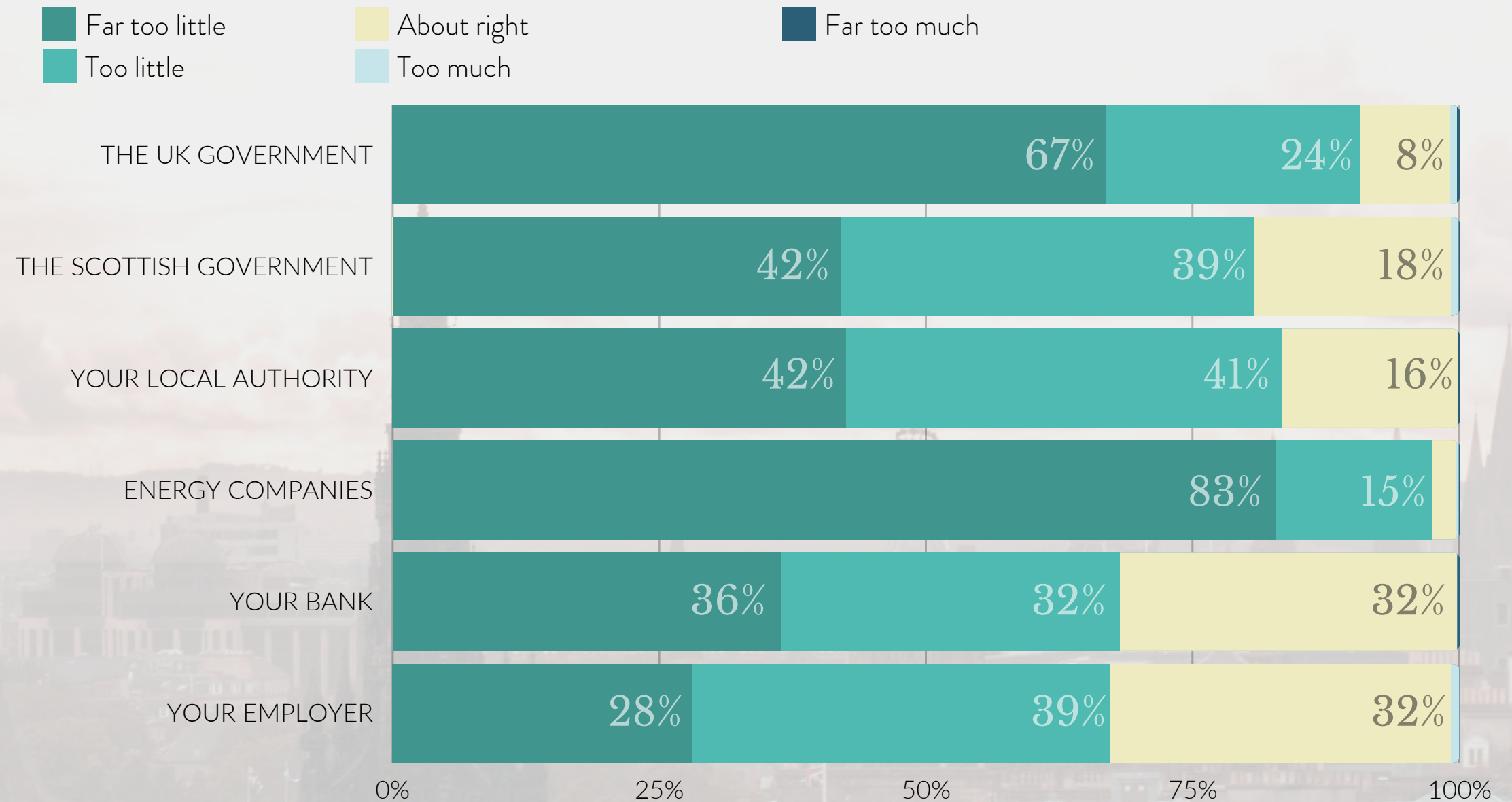
Proportion of respondents deeming each item the biggest driver, and among the top 3 drivers, of rising prices



And thinking about the causes of rising prices, which of the following factors do you believe have played the largest part?

COST OF LIVING: ADEQUACY OF RESPONSE

Proportions of respondents deeming various actors' response to the cost of living in/sufficient (excluding those answering 'Don't know' or 'Not applicable')



To what extent do you think the following groups/organisations have done enough to help people cope with rising prices and inflation?

KEY POINTS

01 THE ECONOMIC AND FINANCIAL OUTLOOK IS BLEAK

81% of people think that economic conditions will get worse over the coming year and 87% of people believe the cost of living crisis will prompt a recession.

Over nine in ten people believe that things will get worse before they get better, and 94% think that the effects will continue to be felt for a number of years.

02 PEOPLE ARE STRUGGLING DESPITE THEIR BEST EFFORTS

Three in five people report that their income does not satisfactorily cover their costs of living, up sharply from 38% last September, despite cuts to outgoings. 28% of people are losing sleep over financial anxiety.

80% have cut down on non-essentials and/or leisure, 15% have taken on more hours, and a further 9% have tried to do so unsuccessfully. 27% of people have been skipping or cutting down on meals to save money.

03 TARGETED AND GREATER SUPPORT IS URGENTLY NEEDED TO AVOID CATASTROPHE

In the absence of greater support, soaring prices are exacerbating inequalities and driving people into vulnerable circumstances: 35% of people have taken on debt and/or borrowed money, rising to 44% in the most deprived areas.

89% and 73% of people say the UK and Scottish Governments, respectively, have not done enough to help people cope with rising prices. 95% of people say energy companies have done too little to help people out, and 81% that they have done far too little.

80% of people believe that salaries and wages should rise in line with inflation, and people do not buy the 'wage-price spiral' argument.

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SCOTLAND 

THANK YOU

