ECONOMIC ATTITUDES AMID THE COST OF LIVING CRISIS

NOVEMBER 2022
ABOUT UNDERSTANDING SCOTLAND

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

The survey was produced in partnership between the David Hume Institute and the Diffley Partnership and invitations were issued online using the ScotPulse panel. Fieldwork was conducted between the 3rd - 8th November 2022, and received 2,191 responses from the adult population, aged 16+, across Scotland. Results are weighted to the Scottish population (2020 estimates) by age and sex.
PRIORITIES & ISSUES OVER TIME
Proportion of respondents citing each matter as one of the top three issues facing Scotland

60%

49% (+7) - Healthcare & the NHS*
48% (-3) - Cost of Living / Inflation

40%

13% (+1) - Trust in Politics
13% (+1) - Environment/Climate
13% (+3) - Mental Health

22% (-4) - Poverty/Inequality
23% (-1) - The Economy

20%

15% (-4) - Constitution/Devolution
14% (-1) - Brexit & the EU*
11% (+3) - Social Care
9% (+2) - Housing
9% (-1) - Education / Schools
8% (+2) - Illegal Drugs
6% (+1) - Crime/Criminal Justice
4% (+3) - Employment & Fair Work
1% (-1) - Covid-19*

0%

SEP 21 JAN 22 MAY 22 AUG 22 NOV 22

THE COST OF LIVING CRISIS AND THE NHS TOP PUBLIC PRIORITIES
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?

*Don't know* answers excluded.
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?

THE PUBLIC MOOD ON THE ECONOMY HAS MOVED DRAMATICALLY IN THE LAST 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’)

<table>
<thead>
<tr>
<th>Category</th>
<th>Very satisfied</th>
<th>Somewhat satisfied</th>
<th>Neither satisfied nor dissatisfied</th>
<th>Very dissatisfied</th>
<th>Somewhat dissatisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>YOUR INCOME LEVEL (INCLUDING EARNINGS, BENEFITS OR INCOME FROM SAVINGS AND ASSETS)</td>
<td>5%</td>
<td>28%</td>
<td>19%</td>
<td>31%</td>
<td>17%</td>
</tr>
<tr>
<td>YOUR INCOME COVERING THE COST OF LIVING</td>
<td>6%</td>
<td>19%</td>
<td>18%</td>
<td>32%</td>
<td>26%</td>
</tr>
<tr>
<td>YOUR ABILITY TO MEET HOUSEHOLD BILLS</td>
<td>8%</td>
<td>27%</td>
<td>20%</td>
<td>28%</td>
<td>17%</td>
</tr>
<tr>
<td>THE BALANCE BETWEEN ANY PAID AND UNPAID COMMITMENTS YOU HAVE</td>
<td>7%</td>
<td>21%</td>
<td>34%</td>
<td>23%</td>
<td>15%</td>
</tr>
</tbody>
</table>

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)

DISSATISFACTION WITH INCOME LEVELS REMAINS HIGH

How satisfied are you with the following? Changes in brackets since the previous quarter.
INCOME ADEQUACY OVER TIME BY SIMD QUINTILE

Weighted average* of the extent to which income satisfactorily covers living costs, shown over time by SIMD quintile, where SIMD1 is the most deprived

3.5

3

2.5

2

SEP 21  | JAN 22  | MAY 22  | AUG 22  | NOV 22

SIMD5 (+0.07)  SIMD4 (-0.01)  SIMD3 (+0.03)  SIMD2 (+0.05)  SIMD1 (+0.16)

BUT IT IS NOT FELT EVENLY ACROSS THE POPULATION

How satisfied are you with the following: Your income covering the cost of living
*Numerical average scaled from 1 (Very dissatisfied) to 5 (Very satisfied). Changes in brackets since August 2022.
### MANY PEOPLE ARE TIGHTENING THEIR BELTS AND EVEN FOREGOING NECESSITIES

**RESPONSES TO THE COST OF LIVING CRISIS**

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

<table>
<thead>
<tr>
<th>Action</th>
<th>Proportion</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not put the heating on to save money when you otherwise would have done</td>
<td>68%</td>
<td>14</td>
</tr>
<tr>
<td>Cut down on non-essential purchases (e.g., clothing)</td>
<td>67%</td>
<td>9</td>
</tr>
<tr>
<td>Cut down on leisure activities</td>
<td>62%</td>
<td>3</td>
</tr>
<tr>
<td>Put less money than usual into savings</td>
<td>45%</td>
<td>-2</td>
</tr>
<tr>
<td>Reduced donations to charity</td>
<td>37%</td>
<td>-1</td>
</tr>
<tr>
<td>Taken money out of my savings to cover higher costs</td>
<td>24%</td>
<td>4</td>
</tr>
<tr>
<td>Lost sleep due to stress or anxiety about your personal finances</td>
<td>23%</td>
<td>+3</td>
</tr>
<tr>
<td>Paid for certain purchases using a credit card when you would otherwise not have done</td>
<td>22%</td>
<td>-4</td>
</tr>
<tr>
<td>Cut down on meal portion sizes to save money</td>
<td>17%</td>
<td>-1</td>
</tr>
<tr>
<td>Changed or looked at changing jobs to earn more money</td>
<td>17%</td>
<td>=</td>
</tr>
<tr>
<td>Skipped meals to save money</td>
<td>15%</td>
<td>=</td>
</tr>
<tr>
<td>Used a buy now pay later payment plan (e.g., Klarna) when you would otherwise not have done</td>
<td>14%</td>
<td>-1</td>
</tr>
<tr>
<td>Taken on more hours/paid work to earn more money</td>
<td>13%</td>
<td>=</td>
</tr>
<tr>
<td>Borrowed money from family and/or friends to cover higher prices</td>
<td>11%</td>
<td>+1</td>
</tr>
<tr>
<td>Deferred certain payments until next month due to higher prices</td>
<td>9%</td>
<td>-2</td>
</tr>
<tr>
<td>Asked for a pay rise from my employer</td>
<td>8%</td>
<td>-1</td>
</tr>
<tr>
<td>Given more to charity</td>
<td>=</td>
<td></td>
</tr>
<tr>
<td>Tried, unsuccessfully, to take on more hours/paid work</td>
<td>4%</td>
<td>-2</td>
</tr>
<tr>
<td>Asked my utilities providers for advice and/or a payment plan</td>
<td>=</td>
<td></td>
</tr>
<tr>
<td>Entered/returned to work to earn more money</td>
<td>=</td>
<td></td>
</tr>
<tr>
<td>Used a foodbank</td>
<td>=</td>
<td></td>
</tr>
<tr>
<td>Taken out a payday loan to cover higher prices</td>
<td>=</td>
<td></td>
</tr>
</tbody>
</table>

**Which of the following have you done in response to rising prices and inflation?**

Changes from most recent data point displayed outside bar (*Has not previously been asked*)
BUYING INTENTIONS OVER TIME
Proportion of respondents who expect to spend less money over the next 12 months compared to the last 12 months on certain goods and services.

Do you expect to spend more money or less money over the next 12 months compared to the last 12 months on:
*Brackets show change from last data point

WE CAN EXPECT TO SEE SPENDING ON ANY LUXURIES FURTHER REDUCED IN THE COMING YEAR
The vast majority of us do not think that the economy works in the interests of most people...

The economy, as it is currently organised, works in the interests of most people.

The economy, as it is currently organised, works in my own interests.

The economy, as it is currently organised, works primarily in the interests of business.

The economy, as it is currently organised, works primarily in the interests of wealthy people.