



Press Release

Lincoln, 21th January 2009

Tackling the Recession

Lincolnshire Independents – Lincolnshire First! (LI-LF) believe that Lincolnshire County Council need a more pro-active strategy to support established businesses and to assist people who have become redundant to find new jobs.

Cllr Edward Poll, Conservative Executive Member for Economic Regeneration at Lincolnshire County Council (LCC) has issued a press release with the banner "*Tackling The Recession*" and the headline of "*Up to £3m for skills and unemployment in Lincolnshire*".

The press release states "*£1.44m is to be spent in Lincolnshire to improve skills and help people gain employment, after Lincolnshire County Council was appointed Lead Body of a European Social Fund (ESF) consortium.*"

Marianne Overton, Leader of **LI-LF** said: "*Regrettably, this fund has little or nothing to do with "tackling the recession". It is part of established government and EU programmes that provide support for young and long-term unemployed*

In the view of Marianne "*This fund may keep more Council employees busy by creating more public sector "training" jobs.. What it will not do is tackle the bigger problem of the slowing economy, companies cutting staff and low wages. Though the actual programmes may help a few individuals, they are likely to be of minimal benefit to businesses or to people who have lost their job due to the recession.*"

The ESF programme is a 50:50 co-funded programme. The amount of new money to be spent in Lincolnshire is not clear, but £1.4 million out of a £4 billion programme is miniscule.

Mark Horn, Campaign Director for **LI-LF** said: "*Edward Poll's press release is a desperate attempt to try and "spin" some good news. The flimsy nature of the "news" highlights the dearth of economic leadership offered by Martin Hill's Conservative administration. Martin Hill's Conservative's have failed Lincolnshire and their record in terms of promoting the economic development of Lincolnshire is abysmal*"

As Mark Horn notes, "Lincolnshire is in the bottom three regions in the UK for economic growth, having a GVA of just 0.6% of the UK GVA.¹ According to study of National Office Statistics figures by GMB, the average gross wage for men and women in full time employment in Lincolnshire is £24,655. This is 27% below the Great Britain average of £31,323."

¹ That is a growth of £13,118 per head, compared with the national level of £18,945. This is well below the leaders at over £52,000 per head. ref. <http://www.statistics.gov.uk/pdfdir/gva1208.pdf>

Lincolnshire Independents recognise how vulnerable Lincolnshire is to the effects of a recession. We know that low skilled, low paid jobs are often the first squeezed in a slow-down. We are determined to do all we can to help hard-pressed families such as keeping the cost of the Council Tax down and minimising waste in the public sector.

More, however, needs to be done.

Lincolnshire Independents believe that Lincolnshire needs a more pro-active strategy to support established businesses. With 50% of small businesses dependant on banks for funding,² small businesses need available and affordable credit..

To encourage new higher skilled jobs Lincolnshire needs a clear marketing strategy to attract new business and a well-defined programme of incentives. We need to start pitching for and winning key infrastructure development. The Conservatives have focused too much on the Council's own problems, and in so doing they have failed to market Lincolnshire as an attractive place to establish new businesses.

Support is required in other key areas. This includes investment in infrastructure to reduce the costs of congestion and transport, tackling crime against business and an end to burdensome regulation which results in many small business owners having to work longer hours than they would otherwise need to.

Yes, we need programmes to help the long term unemployed back into work, but we need to tackle the bigger issues first.

We need programmes that enable people who have become redundant to take up new jobs. A simple policy initiative would be to provide providing travel assistance for those looking for work out of their home area.

A major problem for many mothers is finding affordable nursery and childcare. We need to look at innovative ways, such as through vouchers, of providing such facilities to encourage them to return to work confident in the knowledge that their children are safe.

Lincolnshire deserves better!

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² Federation of Small Businesses Survey Results:

- 54% of SME's had been the victim of crime in the past year.
- More than a third (35.7%) of SME owners would lose their home if their business went under.
- 68% were working more than 46 hours a week in their business. The research showed that many SME owners were working late into the night to cope with red tape.
- 37% did not have access to fast broadband, particularly in rural areas.