

# New data reveals rising poverty under Britain's Labour government

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New data from the Department of Social Security (DSS) reveals that the number of British people living in poverty has grown under the Labour government. The DSS reports that the number of households with an income less than half the national average rose from 16.9 percent to 17.7 percent between 1997 and 1999. This means that a further 500,000 people now live in poverty.

Old-age pensioners account for much of the rise. The number of retirees living under the poverty threshold rose over the same period from 2 million to 2.4 million. Pensioners primarily dependent upon meagre state welfare provisions for most of their income make up 80 percent of those people plunged into poverty between 1997 and 1999.

The DSS figures confirm the acceleration of social polarisation under Labour rule. Not only have the rich become richer over the same period, but they are also getting wealthier faster. Britain's richest 10 percent saw their incomes rise by 4.3 percent during the final two years of the Conservative government up to 1997. During the first two years of Labour it has risen by 7.1 percent.

According to other data released in April by the Office of National Statistics (ONS) for the financial year 1998-99, the UK's biggest earners enjoyed their highest share of national income since the Conservative administration of Margaret Thatcher in 1988. The wealthiest fifth of the population controlled 45 percent of all disposable wealth. In contrast, the poorest fifth controlled just 6 percent in the financial year 1998-99, down from 7 percent in 1995-6 and 10 percent in 1978.

The redistribution of national wealth to the benefit of a narrow privileged elite has led to a "Roaring Twenties" type mentality amongst this layer. Ostentatious consumption is de rigueur; the men's

magazine *Arena* reports that sales of champagne, cocaine and luxury sports cars have never been higher in the UK.

In an attempt to eclipse the damning DSS figures, the data was released at the same time as the government issued its third annual report on its "successes" in office. This boasted that during the present parliament childhood poverty had been reduced by one million, a claim then parroted endlessly by Cabinet ministers. However, the DSS data reveals this to be a lie. Child poverty has also increased under Labour, from 3.3 million to 3.4 million, and is now double the numbers in Germany and France.



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