Britain: Labour government targets single parents and disabled for workfare

Julie Hyland
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Britain's Labour government this week announced an intensification of its efforts to dismantle welfare provision. In typical "third way" rhetoric, renewed efforts to force the unemployed into low-paid work were presented as a progressive measure aimed at liberating the jobless.

In a highly-trailed speech on June 10, Prime Minister Tony Blair announced an expansion of the "welfare to work" New Deal scheme for lone parents and the disabled as part of Labour's efforts to create a new "contract" between the citizen and society.

Opening a new Jobcentre Plus office in Streatham, London, Blair claimed his government was extending a "helping hand" to those who would otherwise be "written off" by the welfare system. He spoke of the scandal of 2.7 million people being "left adrift" on incapacity benefit, and of the 1.6 million lone parents desperate to find a "route into work".

The Jobcentre Plus scheme was a symbol of Labour's approach to welfare, he claimed. In place of the tatty benefit offices that had operated under the Conservatives—testament to its "take your money and get out of our sight" approach to the unemployed—Labour's vision was of an "active welfare state", which "reflects all our responsibilities: the responsibility we have to engage actively with the jobless to provide them with opportunities; their responsibility to engage actively with us and take those opportunities."

Accordingly the unemployed were to be "treated as customers and a potential employee" in nicely decorated, open plan offices with a team of advisers on hand to help them find the right job and, where necessary, provide aids such as grants for bus fares to interviews.

Behind the gleaming facade of made-over benefit offices, however, draconian methods are to be employed to drive people off the welfare rolls. The unemployed must undertake to "come and discuss with personal advisers how they can get back to work", with financial penalties incurred for those who fail to take up employment, Blair said.

Such practices are already used against the majority of unemployed people. But the Jobcentre Plus, currently operational in 56 offices, are to be "rolled out" across the country, with a further 225 offices operational by next March, in order to target more vulnerable sectors, such as lone parents and the disabled.

Once again Blair sought to obscure the vicious character of the new measures by claiming they would help empower those of working age "with particular barriers to work". Help with childcare and skills training would be extended for lone parents to get them back into the labour market, whilst those on disability benefits would be monitored more closely to ensure they were not just "written off, left to drift into long-term incapacity and unemployment".

Labour's strategy was one of "transforming welfare" he insisted, and ending poverty by helping the poor "help themselves". This would "not only lift people out of poverty", but "transform their horizons, aspirations and hopes as well ... giving them chance to save and build up a nest egg.

"Only in this way will we drive up social mobility, the great force for equality in dynamic market economies", Blair stressed.

A number of specific training schemes were to be set up, under the general heading "Ambition."

The prime minister also announced the extension of the government's "stakeholder" programmes, in which people are induced to privately fund retirement and educational provision through financial incentives/penalties. Under the Child Trust Fund, families would be encouraged to make independent provision for their children's education or training—with the government providing an "endowment" for each baby, to be matched by the family, thus cementing Labour's grand scheme of "mutual responsibility" between the state and individual.

Blair's hopes that his extension of workfare and private insurance and education schemes would endear him to big business were in vain. His announcement was treated with derision by much of the press, who complained that Labour's measures were simply a regurgitation of proposals or policies already floated or implemented. The

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Conservative press in particular complained that they had been misled in advance of the speech to believe the prime minister would announce a crack down on “skivers” and the “sick note” culture. Their enthusiasm for such an approach had been misplaced, as the prime minister appeared to be taking a somewhat “softer” line, they railed.

Such claims would be ludicrous if they did not involve the living standards of millions of people. Unlike their Tory predecessors, Labour has been able to make significant steps forward in the introduction of workfare measures—something Blair boasted of in his speech. Like the Conservatives, Labour argues that welfare provision is “part of the problem, not the solution”, claiming that it has created a “dependency culture” that is responsible for poverty.

All this is a means of diverting attention from the fact that it is the gutting of workers living standards to fuel the wealth bonanza enjoyed by the rich that is responsible for the growing levels of social inequality. Labour has more reason than its predecessors do to repeat such spurious claims, given that its policies have only reinforced class divisions. Behind Blair’s mealy-mouthed platitudes about helping the poor, his government has effectively overturned the concept of welfare provision as a universal right, available to all in need. In accordance with one of Blair’s favourite mantras, “No rights without responsibilities”, obeying government dictates determines access to social provision.

Labour’s workfare policies are aimed at providing a plentiful supply of cheap labour to big business, whilst running down public spending. Through measures such as the “working families tax credit”, the unemployed are forced into jobs on minimum rates of pay, creating a lower benchmark for wages.

Despite Labour’s best efforts, however, the Tories and sections of business still complain that the government has not gone far enough, and that its “job creation” programmes constitute an unnecessary financial drain on taxes. The New Deal scheme, in which employees are subsidised for taking on 18-24 year olds, was the source of particular criticism in the wake of a recent National Audit Office report. Whilst 339,000 18 to 24-year-olds who had taken part in the programme had found jobs by October 2001, during the scheme’s first two years, the NAO said that no more than 20,000 of these and possibly as few as 8,000 would not have found work anyway, without the scheme existing.

The programme was an “expensive flop”, opponents complained, as it amounted to a cost to the treasury of at least £5,000 each year per job created. Others said that any economic downturn would immediately cause the scheme to run into significant problems.

While the Tory right is in agreement with the overall thrust of Labour’s measures, it considers the government’s efforts at artificial job creation and guarantees of a minimum level of subsistence to run contrary to its own free market mantra. They insist that Labour should really force people to “help themselves”, by pulling the welfare safety net away entirely. Natural wage levels would then be determined by the market, rather than be kept artificially high by state intervention, and those who can work would have to take a job or starve.

It was left to former Labour social security minister, Frank Field, to best articulate the ideological standpoint of the Tory right in the June 11 edition of the arch-Conservative *Telegraph* newspaper. Field was sacked by Blair in 1998 for his opposition to the government’s emphasis on means-tested benefit, i.e. targeting benefits only on the very poor. Rather than Field’s position being motivated by concerns for social equality, his article made clear that his concern was that such measures undermined Labour’s emphasis on “self-help”.

“A party that won the 1997 election partly on the basis of its determination to destroy welfare dependency is extending that dependency beyond what anyone could have seriously imagined,” he wrote, and ripping out the “mainspring of a free society—the drive to improve one’s own lot and that of one’s family.”

By replacing social security benefits with a series of tax credits, Labour was ensuring that “the living standards of the vast majority of working families with children would be determined by the levels of tax credits introduced by the Government”, creating “a form of permanent serfdom”.

The lot of the very poor had improved, Field claimed, but at great cost. Whereas early welfare had been determined by a person’s contribution record, so that, “Working, saving and being honest were rewarded”, now there was no such incentive, he complained.

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