

UK coalition government attacks welfare benefits

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The attacks launched on the welfare system over the past several months will see massive reductions in budgets upon which the most vulnerable sections of British society depend. It is a component of a broader assault being launched by the Conservative-Liberal Democrat coalition to claw back the billions handed over to the banks through cuts to public spending.

In its emergency budget in June, the Conservative-Liberal coalition announced cuts in benefits amounting to £11 billion over the coming four-year period. Earlier this month, Chancellor George Osborne announced that a further £4 billion of cuts to the welfare budget would be outlined in next month's comprehensive spending review.

Much more is to come. As the *Guardian* noted in a recent article, the cuts outlined so far represent approximately 6 percent of the total welfare budget. Since taking power, however, the coalition has consistently made clear its plans to seek savings of between 25 and 40 percent across all departments in the lifetime of the current parliament.

The cuts already announced will have a devastating impact. The emergency budget stated that future benefit increases would be in line with the consumer price index (CPI) rather than the retail price index (RPI) as had been the case previously. This single decision will slash benefit increases by at least 2 percent and mean that they will fall behind the rate of inflation.

The benefits targeted for the largest cuts include housing benefit, which many rely on to meet rent costs, disability living allowance, which covers additional expenses for care and mobility incurred by those with a disability, and employment and support allowance (ESA) is paid to those incapable of work due to mental or physical health problems. In the case of ESA, the government has put forward a consultation paper that

makes the criteria upon which the benefit is awarded harder to pass. In particular, the changes would make it much harder for those with mental health problems to receive the benefit, and people with sensory impairments would be less likely to obtain support from ESA. As a consequence, it has been estimated that up to two thirds of those on ESA could lose some or all of their benefit if these changes were to be implemented.

According to Work and Pensions Secretary Ian Duncan Smith, who spoke in the House of Commons on Thursday, the new criteria being implemented for ESA would result in 23 percent of claimants being judged "fit to work". In other words, those claiming ESA would be cut by 500,000. Of those currently in receipt of the benefit, only 19 percent would be deemed incapable of work, according to Duncan Smith, who stated that the other 58 percent would be compelled to undertake retraining programmes and other courses to improve employability prospects whilst receiving a lower rate of benefit.

The government is also discussing proposals to remove some benefits described as universal entitlements, such as the winter fuel allowance for pensioners, and free travel passes that the elderly and disabled can also receive.

Liberal leader Nick Clegg has come forward as one of the main figures defending the cuts within the coalition government. In a piece written for the *Times* on Thursday, Clegg claimed that welfare payments should be an "engine of mobility ... rather than a giant cheque written by the State to compensate the poor for their predicament".

He went on to claim, "A fair society is not one in which money is transferred by the central state from one group to another." Such a statement, coming from

a member of a government that has unreservedly supported the bailout of the financial elite with billions of pounds in public money, is remarkable for its hypocrisy.

Promoting the right-wing outlook, which maintains benefit claimants are to blame for their own plight, he defended the view that the aim would be to force people off benefits and into work. But with unemployment running high, he was forced to admit that this would spell disaster for many.

“Welfare reform is not easy and bringing a semblance of sanity to the system inevitably creates losers as well as winners. But the coalition government will succeed where Labour failed. In this tough fiscal climate, cuts to the welfare budget are unavoidable,” he declared.

Clegg’s article came in the wake of Osborne’s announcement last week of a further round of budget cuts. The chancellor’s claim that £4 billion could be cut from welfare was reportedly met with rejection by Duncan Smith, who claims to be still in negotiations with the treasury over a number of initiatives to push people into work for which he needs funding.

In comments to the BBC, Osborne stated that the welfare system was “broken” and the budget was “totally out of control.” According to the chancellor, savings could be achieved by targeting people who had made a “lifestyle choice to just sit on out-of-work benefits.”

This has been the theme of a media campaign which has sought to vilify those on welfare benefits as lazy and unwilling to work. It has been embraced fully by the political establishment, including Labour, whose only criticism of the government’s cuts has been that they are not targeted well enough. Shadow work and pensions secretary Yvette Cooper agreed that the cuts should target the “work-shy”. She continued, “We really need to see the detail of these £4 billion of cuts, not just listen to the rhetoric.”

But it was under the previous government that a number of so-called welfare reforms were initiated. This included the introduction of ESA, which replaced incapacity benefit for those who could not work due to disability or ill health. Applicants for the new benefit were required to go through rigorous medical assessments, carried out by doctors employed by the government. As a result, claimants were assessed by doctors with no prior contact with them. Labour also

targeted unemployment benefit, which was heavily restricted, and support for lone parents was cut whilst they were in power.

Cooper’s call for “detail” notwithstanding, the content of the welfare cuts has been made unmistakably clear. A number of studies have been released showing the potential impact of the proposals announced thus far. BBC commissioned research concluded that industrial areas, particularly towns in the northeast of England and in the midlands, would be hit hardest by the cuts and would be least able to cope with them.

Research into the impact on benefit claimants in Scotland revealed that over £600 million would be removed from welfare payments, which would include reductions in housing benefit by an average of £12 per week, cuts to incapacity benefit of £29 per week, and cuts for some claimants of Disability Living Allowance of £73 per week on average.

Although it is the Conservative and Liberal Democrat parties who are implementing draconian attacks on some of the most vulnerable in Britain, Labour bears full responsibility for the current cuts. Labour prepared the way for the coalition’s attack on the welfare state.



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