

Disabled workers facing redundancy due to UK budget cuts

Mark Blackwood
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On March 7, the Cameron government announced its decision to end subsidised assistance to Remploy, which offers employment to the disabled.

Of the 54 Remploy factories across the country, 36 have been described as “not viable” and will lose their subsidies from March 31, leaving 1,700 disabled workers facing redundancy. This follows the closure of 28 factories in 2008 by the Labour government, with the loss of 2,000 jobs.

The remaining 18 factories, described as “potentially viable”, will see their subsidy reduced while they are assessed for privatisation. A government spokesman described their future “outside government control” as being either “employee-led or open-market exit”.

Remploy was established as part of the 1945 welfare state provision. Since opening its first factory in Bridgend, Wales, in 1946, it has grown into one of the UK’s main specialist employment providers for disabled people.

The government’s decision will affect the manufacturing side of the business, which produces furniture for schools, offices and barracks. According to Remploy, one in three children in the UK uses its furniture every day at school. According to its figures, Remploy’s recycling and refurbishment of IT equipment has enabled more than 30,000 children in Africa to experience the educational benefits of access to computer equipment.

Many of the targeted factories are in already deprived areas. The factories slated for closure are Aberdare, Aberdeen, Abertillery, Acton, Ashington, Barking, Barrow, Birkenhead, Bolton, Bridgend, Bristol, Chesterfield, Cleator Moor, Croespenmaen, Edinburgh, Gateshead, Leeds, Leicester, Manchester, Merthyr Tydfil, Motherwell, Newcastle-on-Tyne, North London, North Staffs, Oldham, Penzance, Pontefract,

Poole, Preston, Southampton, Spennymoor, Springburn, Swansea, Wigan, Worksop, and Wrexham.

Speaking to the BBC, Les Woodward, 58, a wood machinist at the Remploy factory in Swansea, described the decision as “absolutely devastating.... Angry is too small a word.”

Workers were in tears when they heard the news, he said. The sole result of the government’s policy is that “2,000 disabled people are going to be added to the unemployment figures”.

“Where am I going to get a job? Living in Wales, there’s no jobs going,” he added. Seven factories throughout Wales are among those due to close, with the expected job loss of around 272 staff.

Maria Miller, Conservative minister for disabled people, has said the move was due to a large proportion of Remploy factories being unable to achieve independent financial viability. Remploy’s factories made a combined net loss of £63.3 million in 2011. Miller has insisted that the money “could be better spent” on other programmes. The current situation, she told the Commons, “is simply not sustainable”.

The decision to close these factories on grounds of viability can be usefully compared to the government’s attitude towards the banks. At the same time as Labour closed 28 factories in 2008, they had also offered a combined taxpayer bailout to the insolvent Lloyd’s Banking Group and the Royal Bank of Scotland (RBS) of some £66 billion.

The recommendations were made on completion of the Sayce Report, a review of the government’s expenditure of its £320 million disability employment budget. Liz Sayce, OBE, the report’s author, is chief executive of the Royal Association for Disability Rights (RADAR). She is also chief executive of the charity Disability Rights UK, and has long been an

open critic of the model of sheltered employment used by Remploy.

Sayce's report concluded that the government's budget could be better spent on the Access to Work fund, providing technology and other help to firms employing disabled workers. However, in a recent RADAR press release, "Urgent Expansion Of Work Support For Disabled People Required", Sayce has had to acknowledge that "we currently face a crisis of disabled youth unemployment".

The government has in fact enthusiastically seized on opposition to sheltered employment to justify the closures. Iain Duncan Smith, secretary of state for work and pensions, told the *Daily Mail* that these reforms "will enable us to support thousands more disabled people into open employment".

With unemployment in the UK nearing 3 million, it is highly unlikely that disabled workers forced into redundancy will secure further employment any time soon. The GMB union has said that of the 2,000 people who lost their jobs under the last round of redundancies back in 2008, some 90 percent are still on benefits.

William Roberts, who lost his job with Remploy in that wave of closures, told the union, "Equal rights have made it harder for people like me. Now they say that if you are in a wheelchair because you can't walk you are equal to someone who can walk. That's not right. The people who leave Remploy now will not have a cat in hell's chance of getting a job. I've got qualifications but they won't help me now I've been out of work for two years now. I find it hard."



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