

UK: Poorer families to lose up to one-quarter of income due to government austerity

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That poverty has increased significantly in the UK over the last year is a matter of record. According to the most recent surveys, more than 22 percent of the population is officially below the poverty line. Nationally, one in every three children lives in poverty. In some areas, child poverty is between 40 and 50 percent.

Statistics alone, however, cannot fully reveal the destructive human cost of such entrenched and wretched conditions. An article published in the *London Evening Standard* goes some way to doing so.

Headlined “In 2012, thousands of children are starving on the streets of London”, feature writer David Cohen reported on the work of Kids Company—a charity which is presently feeding 2,000 young people every week, some of whom are desperately malnourished.

Cohen introduces his piece, “The children arrive with the telltale signs: shrunken faces, sallow skin, dark rings around their eyes and rotting teeth. Some of the 11-year-olds are so underweight and undersized they look like six-year-olds, and those aged six often look only three or four.”

London is to host the Olympic Games this summer and as the *World Socialist Web Site* has commented, everything is being arranged to ensure the event is an orgy of luxury for the financial elite. Under these conditions, Cohen comments, “You do not expect to find severely malnourished children on the streets of London in 2012, three months before the city showcases itself for the Olympics ...”

Camila Batmanghelidjh, the chief executive of Kids Company, told the *Standard*, “The number of children coming to us with hunger problems has increased five-fold in a decade and the number of children self-referring on a daily basis has doubled in the last year.

“We are struggling to cope with the scale of this silent epidemic of hunger. More than 60 percent of the 2,000 children we help every week tell us there is no food at home and 85 percent rely on us for their main meal of the day. What I am seeing shocks even me. One child told me that he and his brother were so hungry they stole frozen meat from a flat they visited—and they ate it raw.

“We see children who are literally starving, including children whose parents are seeking leave to remain in Britain but have no access to benefits or employment in the meantime and so no means to provide for their kids. We are also seeing a rise in hunger among children from London-born parents who used to scrape by but have been undone by the rise in the cost of living and unemployment and now run out of food midweek.”

This description of the plight of many working class families, living in a city populated by multi-millionaires and billionaires, proves the reality behind the government’s mantra, “We’re all in it together”. The truth is that starving children rely on charities for food, whilst billionaires wallow in luxury and obscene wealth, being handed tax breaks by the government and buying palatial multi-million pound apartments in the capital.

The 2011 *Sunday Times* Rich List showed the financial aristocracy piled on another 18 percent increase in their wealth. These 1,000 people now have a combined wealth totalling £395.8 billion. This alone would pay off, some five times over, the amount of money (£83 billion) the government’s is clawing back in austerity measures.

The conditions of dire poverty facing millions are the product of a conscious onslaught by the ruling elite and its political representatives to drive down the living standards of the working class. The previous Labour

government's multi-billion pound bailout of the super-rich has been taken on and deepened by the Conservative/Liberal coalition.

Due to the first years of austerity and rising inflation, in 2011 the amount of disposable income available to households reached its lowest level since 1921.

Household income has been falling for five successive years. Last year a Bank of England survey found that families suffered an average annual drop of £552 in their disposable income. Even this figure is likely to be an underestimation as last year's VAT sales tax rise, alone, is costing a family with children an average of £450 a year.

Unemployment continues to escalate and more than one million young people are now without work.

These were the perilous conditions facing millions, even before new attacks on living standards, in what now been dubbed "Black Friday" (April 6) came into place, as a result of March's budget and previous measures.

According to figures from the Institute for Fiscal Studies (IFS), 850,000 families with children now stand to lose an average of £511 a year as a result of the removal of their existing Child Tax Credit. Lower paid households were deliberately targeted, with up to 212,000 working couples earning less than £17,000 a year to lose all of their working tax credit—worth up to £3,870 a year—if they are unable to increase their working hours.

Thousands of families will lose up to a quarter of their income. A family comprising a young couple, working 23 hours a week with one child and a household income of £15,500, currently receive almost £6,000 in tax credits. According to the Resolution Foundation, from last Friday this family will see their income immediately drop by £2,961—about 19 percent.

According to the Save the Children charity, 3.5 million children are already in poverty. These measures and others will drive up this level. The charity pointed out that another measure to be inaugurated by the government, the Universal Credit (UC), will see 150,000 single working mothers losing up to £68 a week, and a quarter of a million more children forced into poverty. Some families are set to lose up to £1,800 per year and, "a single parent with two children, working full-time on or around the minimum wage, could be as much as £2,500", the charity found.

The budget also ensured that many pensioners face cuts in income that will cause further deprivation. The freezing of age-related allowances will cost five million pensioners between £60 and £200 per annum. In this way the government will raise a further £5 billion to hand over to the super-wealthy.

All told these attacks will worsen the already widespread destitution in the UK. In a comment article, the *Times* noted April 5 that the IFS figures "are national aggregates; they do not reflect regional disparities that mean some parts of the UK, notably outside the prosperous South East, will suffer even deeper cuts in income because of higher welfare dependency".

But the attacks being imposed are only the start. Noting that the government has pencilled in further spending cuts of £10 billion in welfare, the newspaper continued, "The programme to rein in government debt will take decades, involving less generous pensions, later retirement, rationing of state-funded healthcare and further reductions in the generosity of universal benefits."

The *Times* makes explicit the purpose of these austerity measures. "Living standards will be further squeezed as workforces are forced to compete with emerging economies such as China and Brazil", it wrote.

"A similar story is being played out across Europe, where governments are confronting the legacy of unsustainable social security systems and decades of rising state spending".



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