

# UK prime minister outlines massive cuts in welfare benefits

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30 June 2012

Prime Minister David Cameron has outlined plans by the Conservative/Liberal coalition that will end social benefits for large sections of the population.

Cameron outlined the proposals in an interview with the *Mail on Sunday*. Interviewed by the right-wing newspaper on a train from London to his Oxford constituency, the multi-millionaire Tory leader was unabashed in his casual disregard for the fate of the younger generation.

In between discussing the fortunes of the England football team at the European championship and his blissful domestic life, Cameron proposed ending the right of those under the age of 25 to housing benefits and cutting Job Seekers Allowance to those deemed not to be trying hard enough to find work. He also suggested forcing the unemployed to carry out community work after two years of unemployment, under threat of losing their benefits.

Cameron told the *Mail*, “We are spending nearly £2 billion on housing benefit for under-25s—a fortune. We need a bigger debate about welfare and what we expect of people.”

His proposals come after the passage into law of the government’s Welfare Reform Bill earlier this year. The legislation, along with the Health and Social Care Act, which ends free universal health care and drives forward the privatisation of public education, is the foundation for destroying what is left of the post-war welfare state. It includes an annual cap on social benefits, cuts in benefit entitlement for the disabled and slashing the amount payable to benefit claimants.

This is why Cameron was able to tell the *Mail*, “We have the boldest welfare reforms and deficit-reduction plans in Europe ... capping welfare, free [privatised] schools ... far beyond anything Margaret Thatcher or John Major [previous Conservative prime ministers] delivered.”

He followed this up with a speech on Monday where he

declared, “In a world of fierce competitiveness—a world where no-one is owed a living—we need to have a welfare system that the country can properly afford.”

Adding that the government is pressing ahead with “welfare reform on a scale and with a determination not seen since World War Two”, Cameron boasted of the “Tens of thousands of claimants of incapacity benefits reassessed, and found ready for work” and the establishing of the “biggest-ever Work Programme” which was on its “way to getting 100,000 people into jobs.”

That the above figures are the result of removing benefits from the disabled and forcing the unemployed into low-paid jobs went without mention.

The prime minister denounced what he termed “working age welfare”, which had created “a welfare gap in this country between those living long-term in the welfare system and those outside it.” Denouncing the welfare system for being responsible for a “series of expectations: you can have a home of your own, the state will support you whatever decisions you make, you will always be able to take out no matter what you put in”, this mouthpiece for the super-rich said, “It created a culture of entitlement.”

Cameron outlined fully 17 measures designed to slash welfare spending even further. These included out-of-work benefits being linked to wages rather than inflation, a cap on the amount people can earn and still live in social housing, making some benefits payable “in kind” rather than cash and putting the onus on sickness benefit claimants to improve their health.

The speech, all told, was a declaration that the Welfare Reform Act was only the opening salvo. Cameron warned, “There are few more entrenched problems than our out-of-control welfare system and few more daunting challenges than reforming it.”

In his budget in May, Chancellor George Osborne stated that a further £10 billion would need to be slashed from

welfare expenditure during the next parliament. This is on top of the £18 billion cut in welfare spending already underway.

The cuts now proposed will have a devastating impact on millions of working class people and their families. Young people in particular will bear the brunt. Many do not have the option of moving back in with parents. They may have had to leave in the first place because of family breakdown, violence, or abuse. A large number of under-25s have children themselves—of the 385,000 under-25s claiming housing benefit, 204,000 have children.

Last year the charity Shelter found there were 10,000 young people in the UK who were treated as priority homeless after being thrown out by their parents. This figure is an underestimation as many young people often sleep at the homes of friends or on the streets, and don't show up in homeless statistics.

Many young people who are in work on low pay depend on housing benefit to be able to pay the rent. They will have to uproot to low-rent areas. As these are often the most economically blighted with higher levels of unemployment, they are likely to lose their jobs as a result.

The amount of housing benefits people are able to claim will be cut by up to 25 percent as a result of having an extra bedroom/s in a household. Many families will have to move, no longer able to afford the rent as it will not be covered fully by housing benefit.

In scapegoating millions of the poorest and most vulnerable, Cameron's hypocrisy knows no bounds. The £2 billion cost of housing benefit for the under-25s is hardly "a fortune" as Cameron well knows.

Cameron told his Kent audience that cuts in social spending were necessary as, "Frankly, to quote the last government, there is no money left."

If the state coffers are empty it is in large part because, in the aftermath of the 2008 global financial crash, the Labour government, fully supported by the then-opposition Conservatives and Liberals, looted the public purse and handed over, with no conditions, some £1 trillion to the bankers and financial parasites who had caused the crisis.

This is aside from the tens of billions stolen from the public purse in tax evasion by the very richest in society. The Tax Justice Network recently published figures outlining the true extent of global tax evasion. Of the 145 countries examined, the amount evaded globally was \$3.1 trillion annually. The figure for the UK was £69.9 billion

per annum. This amount alone would cover more than 50 percent of the total amount spent to fund the health service annually.

The response to Cameron's proposals from the press was generally favourable, with the main complaint being that his plans were not harsh enough.

The *Times* specifically called for welfare spending on pensioners to be hit. It editorialised that protecting "pensioner benefits during this Parliament, to the next... would be a mistake".

It continued, "While inflation and low interest rates have undoubtedly eaten into their savings, the elderly have been largely insulated from the financial pain of the young. There is scant economic justification for winter fuel allowance, free television licences, free bus travel or the Christmas bonus..."

*Financial Times* political correspondent Kiran Stacey noted, "Some ideas were fully formed and have the potential to save a lot of money. Linking benefits to earnings instead of inflation would be popular; had it been policy at the time of last year's autumn review, it would have saved £5bn."

Urging further cuts, he commented, "Cameron has refused to carry out one plan that could save £2bn: means-testing pensioner benefits such as television licences, bus passes and the winter fuel allowance, which are guaranteed at least until 2015. On Monday, he would not rule out putting such a proposal in the next Tory manifesto, even though this could create a political storm."

The opposition Labour Party is on record that welfare spending must be reduced, having initiated billions in cuts before leaving office. In January Labour declared it was not in favour of a national cap on the level of benefits that could be claimed, but would be if the policy was implemented on a local basis.

*Times* columnist Hugo Rifkind wrote that in response to Cameron's speech, Liam Byrne, Labour's Shadow Secretary of State for Work and Pensions, "was twisting like a worm on a hook. Did Labour want to cut welfare? He couldn't say. Did Labour oppose cuts to welfare? He couldn't say that either."



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