

# UK government set on deeper cuts to welfare

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20 July 2013

Britain's Conservative Party has set out plans to escalate the government's assault on welfare.

Earlier this week, Conservative Party chairman Grant Shapps said unemployed parents should only receive benefit for their first two children, meaning entitlement to child benefit and/or income support and other financial aid could potentially be removed for any children above that number.

Shapps claimed that the plan would place the unemployed on an "equal" footing with working parents. Unemployed parents who decide to have more than two children should "know that welfare is not going to fund that choice," he said.

He suggested further restricting entitlement to housing benefit by barring all unemployed under-25-year-olds from access to the rent subsidy. Again, Shapps claimed that welfare benefit provided an "incentive" for unemployment. The proposal would affect some 380,000 jobless under-25-year-olds, forcing them to live with parents/friends or face homelessness.

Shapps's comments came as the government's cap on the amount of welfare benefits claimed by any household was rolled out across the country.

The scheme, first piloted in four London boroughs—Haringey, Enfield, Croydon and Bromley—means that no jobless household can receive more than £26,000 a year in benefit and other entitlements. It is part of a further £11.5 billion of cuts unveiled by the government in June. This comes on top of the £155 billion austerity measures already passed by the Conservative/Liberal Democrat coalition since its election in 2010. The government's Spending Round in June for the first time covered a single financial year—2015/2016. It therefore tied any future government (the general election is due in 2015) to the reduction.

Shapps's statements were once again justified on the

grounds that cutting welfare is motivated by "fairness" to taxpayers, as it ensures that no jobless household will receive more than the national average wage, regardless of its family size or circumstances.

The pilot cap has already caused great hardship. Haringey Council reported that 740 families lost income during the trial, with just 34 people finding employment. The government's own figures calculated that up to 56,000 families will be hit, losing an average of £93 a week, while in London, some 7,000 households will lose more than £100.

London and the south are especially affected by the cap due to high housing and living costs. Families are being forced out of the capital and into accommodation in northern England where rents are cheaper.

Amid reports that Work and Pensions secretary Iain Duncan Smith has requested additional time to legislate for further changes to welfare for next year's parliamentary session, the government is said to be intending to reduce the benefit cap still further. Conservative MPs are reportedly demanding it should be cut to £20,000. In addition, the Forty Group of Conservative MPs—so-called because they represent constituencies with the slimmest majorities—is demanding benefits be withdrawn from teenage mothers and a host of other measures.

Teenage single mothers should no longer be automatically entitled to help with their housing costs, or be considered a priority for social housing, they argue. They propose deducting fines for school truancy from the child benefit paid to mothers, while restricting access to "repeat" abortions.

Those most affected by the cap—and the additional measures now being proposed—are children. According to the Children's Society, children are seven times more likely than adults to face hardship as a result of the measures. Matthew Reed said 140,000 children, compared with 60,000 adults, "will pay the price as

parents have less to spend on food, clothing and rent.”

The amount of money supposedly “saved” by such measures is paltry. Teenage single mothers account for just 2 percent of all single parents. Similarly, the benefit cap is estimated to reduce social security spending by just £110 million this year and £185 million in 2014, because the vast majority of people already receive far below the cap. Only in May, Duncan Smith was publicly reprimanded by the UK Statistic Authority for publishing misleading figures as the supposed success of the pilot benefit cap. In an open letter on behalf of the authority, Andrew Dilnot said Duncan Smith’s claims on the numbers finding work was “unsupported by...official statistics.”

The Tories’ moves are clearly punitive. They are aimed at stigmatising and punishing the unemployed, while legitimising a broader offensive against social rights—from welfare to education and health care.

Rolled out under the heading “Rewarding Work”, Duncan Smith once again sought to set “working” families, “paying their taxes”, against the jobless, arguing, “The days of blank cheque benefits and people milking the system are over.”

The measures have the wholehearted support of the media, which routinely demonises the unemployed and promotes propaganda blaming welfare costs for the squeeze on spending, enabling the Conservatives to claim that their plans are in response to “public” pressure.

Not a word is said about the criminal activities of the major banks and financial institutions, which are responsible for the biggest economic crisis in 70 years. Billions have been and continue to be paid out to the banks and super-rich, while the majority of the population are put on rations.

Unemployment is nearly 3 million, including more than 1 million out of work and not claiming benefits. Employment is scarce, with much of that available temporary and low-paid. That is why the majority of those on benefits are the “working poor”, those whose pay is so low they need additional state subsidies to survive. Even this bare minimum—which acts as a subsidy to employers—is now being scrapped as the ruling elite seek to overturn all the social gains made by the working class.

A central role is played by the Labour Party, which is committed to maintaining the coalition’s benefit cuts

and introducing more of its own. It has jettisoned its verbal opposition to the benefit cap, arguing that it should be determined three years in advance and have a regional component.

This week, Labour attacked Conservative plans from the right, arguing that they were too soft on welfare. Labour’s Liam Byrne denounced the cap for not being hard enough because it would not affect those with very large families and would do nothing to prevent those “living a life on welfare.”

A single-tier “universal credit” comes into effect later this year, which will streamline existing benefits into one, with the obvious aim of further slashing welfare payments. Labour claims that design flaws will mean that single jobless households with seven or more children will “slip through the cap.”

Meanwhile, the Trussell Trust reported that the numbers of people being referred for food parcels increased in the three months since the government’s welfare measures began by 200 percent. The voluntary food aid network reported that more than half of the 150,000 people referred for emergency food aid between April and June were affected by benefit cuts and delays, and financial problems caused by changes to housing.

“The reality is that there is a clear link between benefit delays or changes and people turning to food banks, and that the situation has got worse in the last three months,” said Executive Chairman Chris Mould.



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