Poverty surging so fast in UK that foodbanks unable to keep up with demand

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Despite the claims of the media and Johnson government during the pandemic that "we are all in it together", warnings this month by poverty and food campaigners reveal the depth of the social immiseration facing the working class.

As rising death tolls from the pandemic have mirrored the rise in financial markets, so too have rates of poverty, debt and hunger.

According to the Food Foundation, one in five households with children reported they were unable to access enough food during the first lockdown. In the first year of the pandemic, from April 1, 2020, the Trussell Trust, one of the UK's largest networks of food banks, distributed 2.5 million emergency three-day food parcels, an increase of 33 percent on the previous year. Nearly a million of these parcels were for children.

In the six months from April 2021, Trussell Trust foodbanks distributed 936,000 parcels, but as the new year sees many more workers thrust into poverty and desperation, this is expected to sharply increase. Inflation has risen to 7.5 percent, the highest monthly increase in prices in almost 30 years, pushing up the average bills faced by households.

With the financial difficulties caused by inflation and the ruling Conservative government's attacks on the working class, *The Independent* newspaper reported at the start of January that foodbanks were concerned that the situation was so bad that they would be forced to turn people away this winter due to supply problems. Food banks reported not only higher levels of need, but fewer donations, as many people were less able to donate to charities, and supply chain issues meant retailers had less excess food.

The impact of price increases will be much worse for the poorest households, as the cost of certain essentials, such as heating, is increasing even faster than the average price of goods. At the start of October, the energy price cap—the maximum that can be charged for a household on a default tariff—increased from £1,138 annually to £1,277, an increase of over 12 percent. Fuel poverty charity National Energy Action (NEA) said that before the price cap increase, 4 million households were classified as in fuel poverty, unable to afford to adequately heat their homes as well as meet other daily necessities. According to NEA's estimate, this price cap increase pushed a further 500,000 households into fuel poverty.

The government is planning to pass more fuel price increases onto the working class, with a further rise in the energy price cap planned for April. According to the NEA, this would push the number of those in fuel poverty up to 6 million. The charity quotes industry experts who estimate the price cap could even be raised to over £2,000 per year, doubling heating costs compared with the winter of 2019-20. A poll commissioned by the NEA showed that 28 percent of all households would need to reduce how often they turned on the heating "by a great deal", and 31 percent "by a fair amount" if prices increased so sharply.

Office for National Statistics (ONS) data for 2019-20 showed that 8 percent of households were "food insecure", unable to afford balanced meals or forced to skip meals. Of households receiving Universal Credit (UC) welfare payments, 17 percent were classed as having low food security, and 26 percent as very low. In October, the government sadistically ended the meagre £20 weekly uplift to UC for over six million people, which had been introduced at the start of the pandemic. This has seen more working class families impoverished and forced to rely on charity. *The Independent* reported that a foodbank in Swansea had seen demand double in the months following the UC cut, distributing 472 parcels in September and rising to 1,103 in November.

According to the Joseph Rowntree Foundation charity, in addition to struggling to feed themselves and heat their homes, millions of workers have fallen into debt during the pandemic. In October, it reported that 3.8 million households were in arrears, both with bills and borrowings, and 4.4 million had taken on new borrowing during the pandemic. The figures showed that low-income households owed £3.4 billion in rent, utilities bills and other household expenses, and £1.8 billion in personal borrowing.

The Labour Party has sought to conceal the true cause of the social crisis facing workers in the COVID-19 pandemic. In parliament, deputy leader Angela Rayner described rising inflation and the increase in National Insurance contributions as examples of the "incompetence" of Prime Minister Boris Johnson and called for the government to take the meagre step of cutting VAT (sales tax) on energy bills.

Johnson is following a conscious strategy of defending the interests of capital through vicious attacks on the working class. As share prices collapsed at the start of the pandemic, hundreds of billions of pounds were paid out in direct government subsidies to corporations and quantitative easing to protect the wealth of the bourgeoisie, while workers have been forced to bear the brunt of both growing poverty and the lethal risk of the virus. The right-wing hardliners in the Tory party demanding that Johnson act as a "true Thatcherite" and threatening a leadership challenge, are demanding even more brutal attacks against the working class.

At the end of last year, while spreading the lie that the Omicron variant was "mild", the British ruling class celebrated the return of the FTSE100 stock index to its pre-pandemic level. As the *World Socialist Web Site* has explained, the astonishing rise in financial markets during the pandemic does not represent the generation of real value, but a claim on future value that must be extracted from the working class.

This has been reflected in the changes to Universal Credit (UC) paid to working families. Its introduction by the Conservative–Liberal Democrat coalition government in 2013 was part of an explicit drive to "make work pay"—that is, to ensure workers have no choice but to work long hours for low pay. Those working who receive UC payments because their income is so low are subject to a "taper", essentially a punitive tax on their wages. Financial journalist and broadcaster Paul Lewis reported in December that despite a small reduction in the taper in November, anyone receiving UC who earned enough to pay National Insurance and income tax would take home only 30p of each pound they earned, equivalent to a 70 percent tax rate. This can be even less for recipients of other tapered benefits.

The removal of the £20 UC uplift is a key part of the Tory government's strategy to force reluctant workers back into unsafe workplaces, with many employers being hit by labour shortages.

The British Chambers of Commerce released figures on January 13 showing that four in five companies who attempted to recruit staff reported difficulties, especially in the hospitality sector, where workers face low wages in return for extreme exposure to COVID-19. ONS data show that across the economy, there are still 27.8 million fewer hours worked per week than before the pandemic.

Work and Pension Secretary Thérèse Coffey linked the end of the UC uplift with the record number of job vacancies, telling BBC Breakfast, "I'm conscious that £20 a week is about two hours' extra work every week—we will be seeing what we can do help people perhaps to secure those extra hours".

As Paul Lewis pointed out on the BBC's *More or Less*, the UC taper means that to make up for the cut would require many times more than £20 in wages. According to his latest calculations, someone would need to work sufficient hours to earn an additional £83 (almost 9 hours at the new minimum wage) to then receive just £20 in UC and Council Tax benefit after the taper was applied.

Accounting for other taxes paid by those on Universal Credit, the Resolution Foundation calculates that claimants take home as little as £2.24 for every hour worked.