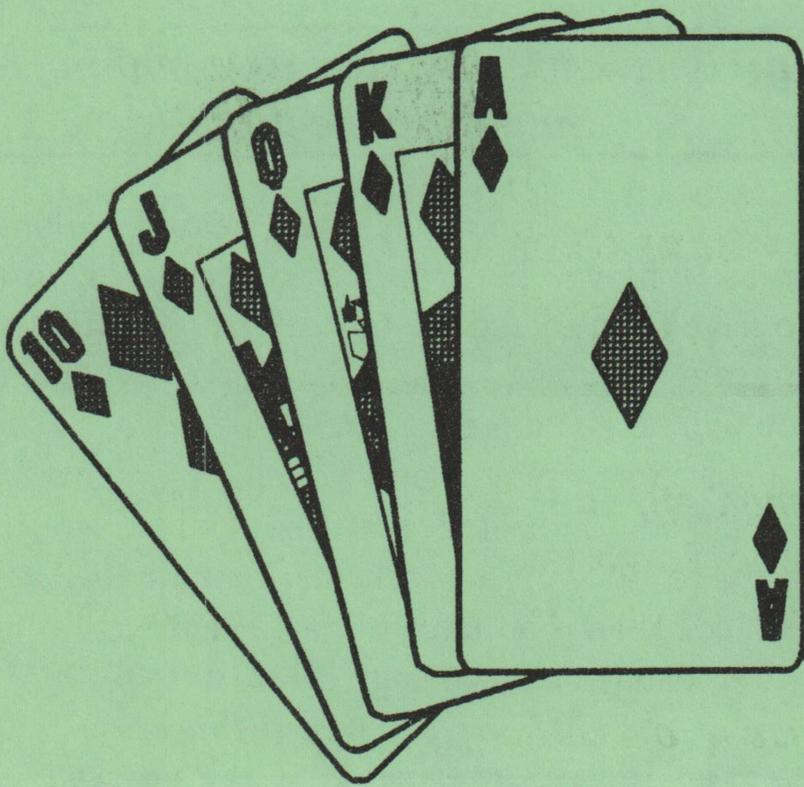


11438 5

SOLIDARITY SPECIAL

SEPTEMBER 1997



THE NEW DEAL OR STACKING THE DECK!

The Government's "*Welfare to Work*" scheme for young people is being trumpeted as a major initiative. However, there are still many questions begging to be answered. It is claimed that any youngster who has been out of work for more than six months will be given intensive "*Gateway*" counselling before being offered one or more of four options. *It is important to recognise that the young person will not necessarily be given any choice between the options.*

THE "OPTIONS"

- ◆ Up to 12 months in further education.
- ◆ 6 months waged work with a private sector employer.
- ◆ 6 months spent with a voluntary organisation at benefit plus £15.
- ◆ 6 months on the governments Environmental Task Force, again at benefit plus £15.

? THE QUESTIONS

The Education option will apparently only be available to those with basic educational needs, more specifically in literacy and numeracy. So four options is now down to three for most of the target group.

SO THEN THERE WERE THREE...

The remaining three options will include a training element on one day per week up to NVQ level 2 for which the provider will be paid £750. But level 2 almost always requires a full year's training rather than 6 months on the scheme yet there has been no suggestion how the young person is to be assisted in completing his or her course.

??? QUESTIONS ???

'STICKY FINGERS'..

Employers will get a hand out of £60 per week for every young person they take on. It is notable that the public sector, including local authorities are excluded as providers for the employment option. Past experience has shown the extent to which the private sector has abused state subsidised labour in terms of health and safety, job substitution, excessive hours and, in some cases, actually sending people home while trousering the subsidies.

"...local authorities are excluded as providers under the employment option..."

At a recent conference on the 'New Deal' a Lloyds Bank TSB representative was arguing that that they should receive the full £60 subsidy for employment periods as short as 12 hours per week. Severn Trent were looking to recoup some of their windfall tax by claiming the subsidy for carrying out their legally required environmental responsibilities.

...Lloyds Bank TSB want the full £60 subsidy for providing as little as 12 hrs work a week...

These two companies, anxious to get their sticky fingers on the lolly, are at the "prestigious" end of private sector employers, imagine what is likely to happen at the "cowboy" end of the spectrum!

JOB SUBSTITUTION..

Some, if not most, employers already see this new scheme as an opportunity to sack existing workers in order to replace them with the new government subsidised labour. This is so easy to do whilst so many working people are denied any legal protection against unfair dismissal. If nothing else this should be an argument for the abolition of the two year threshold before new starters acquire legal employment protection. 'Tory' minister for Labour, Alan Howarth tells us that employers have "responded well" to the proposals. No wonder, it's Christmas every day for them!

VOLUNTARY LABOUR?..

Young workers pushed into the voluntary sector or the Environmental Task Force option will receive a payment equivalent to Jobseekers Allowance plus £15 - a whole five pounds better than existing schemes! For this grand sum he or she will have to do a full-time job, and if that's the case should be getting nothing less than a full-time wage.

"Full time work should receive nothing less than full-time pay"

Because of the sanctions (see below) voluntary organisations will be expected to accept youngsters who have been forced into situations. Now that's an interesting concept - an involuntary volunteers! "You *will* be a volunteer."

To their great credit many voluntary organisations have already indicated that they intend to have nothing to do with any scheme, or part thereof, in which coercion is an integral part even though, for a few, there may be some large bribes on offer.

NEW FORCED LABOUR..

When apologists speak of the four options they make it sound as though there are choices to be made. Not so. During the "counselling" period (or to use the new slimespeak - the Gateway) some young workers will only be offered the education option. Others won't be allowed that option at all, but might also find that there are no placements available on the waged option and that the voluntary sector largely refuses to participate in the scheme. The only option left would be the Environmental Task Force - it sounds like the army and like the army they will be conscripted. If they don't accept conscription their Jobseekers Allowance will be stopped for two weeks in the first instance and for four weeks on each subsequent refusal. Confronted with starvation they will have no "option" but accept the option. **THAT IS FORCED LABOUR.**

**WHAT WE WANT FROM THE GOVERNMENT IS
NOT ANOTHER SCHEME BUT AN INITIATIVE TO
CREATE DECENT JOBS.**