

## Chapter 6 - *Work and Welfare*

### Overall policy context

A major change in the organization of the relevant government ministries concerned with employment occurred when Gordon Brown took over as Prime Minister. The Department for Work and Pensions (DWP) retained its responsibility for the New Deals and benefit policies, such as Jobseeker's Allowance and Incapacity Benefit, but the Department for Trade and Industry (DTI) was abolished and responsibility for employment matters, such as quality of working life, discrimination in employment and other employment legislation moved to a new Ministry: the Department for Business, Enterprise and Regulatory Reform (BERR.)

See the relevant websites:

<http://www.dwp.gov.uk/>

<http://www.berr.gov.uk/>

### New Deals and Reforming Incapacity Benefit

As predicted in the original chapter policy has continued to support the notion of an active welfare state encouraging people to provide for their own welfare through paid employment. There are plans to develop the New Deals with a renewed focus on skill acquisition and to provide greater support to Incapacity benefit claimants to get back into paid employment.

A summary of how the Government envisages developing these policies in the future is set out in a document *Transforming Britain's Labour Market Ten years of the New Deal*, available at:

<http://www.dwp.gov.uk/welfarereform/docs/PMNewDeal2-01-08.pdf>

Quoting from this document (2008:8):

As the Prime Minister said in his speech to the CBI on 26 November 2007, the problem is no longer unemployment or the lack of jobs:

**“If in the old days the problem was unemployment,  
in the new world it is employability.  
If in the old days lack of jobs demanded priority action,  
in the new world it is lack of skills.”**

### Training and Skills

The emphasis on skills is also seen in other policy areas. In December 2006 Lord Leitch published the final report following his independent review of the skill needs of the UK Economy. In July 2007 Department for Innovation, Universities and Skills (DIUS) published *World Class Skills: Implementing the Leitch Review of Skills*; see the departmental website for further details: [www.dius/policy/skills.html](http://www.dius/policy/skills.html)

### Age Discrimination

After a long delay, caused mainly by disagreements over whether the law should include a default retirement age or not, The Employment Equality (Age) Regulations came into force on 1<sup>st</sup> October 2006. Amongst other measures outlawing discrimination in employment on the basis of age, the law introduced a default retirement age of 65. This last measure is

currently being challenged in the European Courts by Heyday, the membership organisation of Age Concern see their website:

<http://www.heyday.org.uk/>

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