



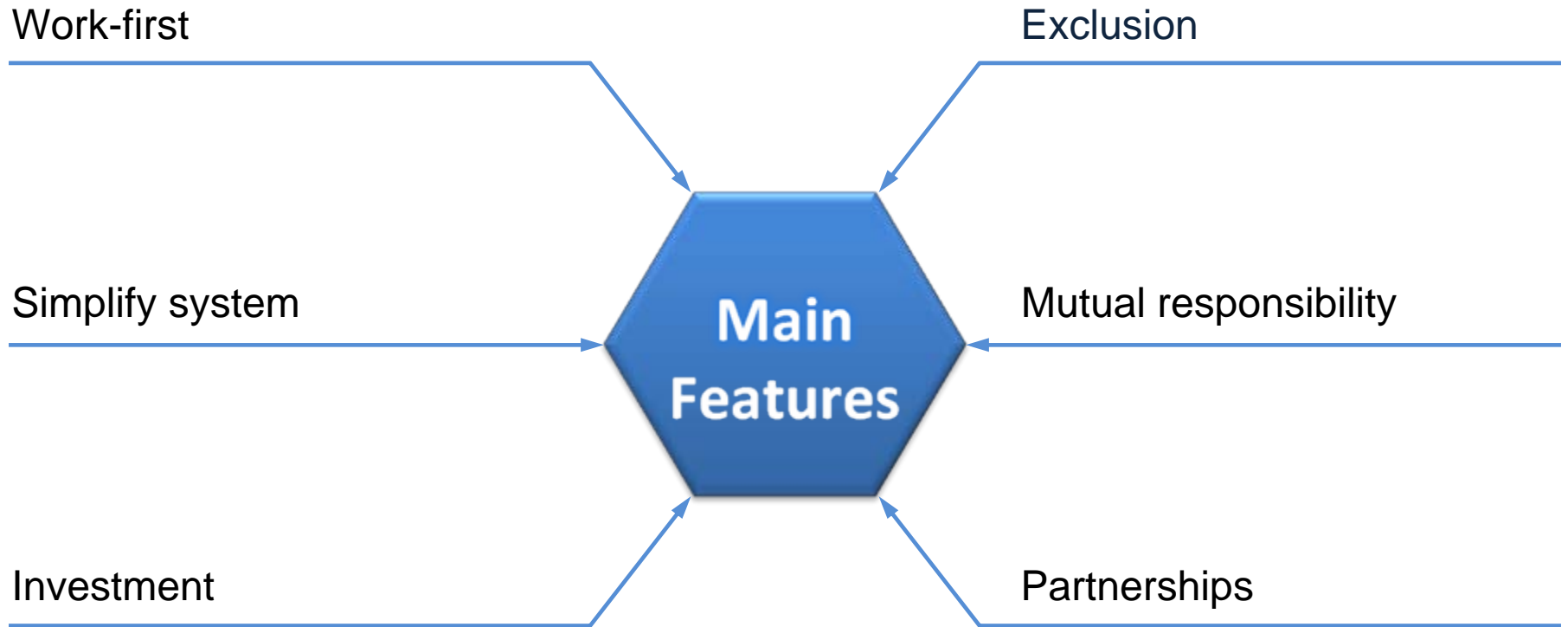
History never repeats? A short overview of recent welfare history

Neil Lunt

University of York



Labour's ambitions



Post-war settlement eclipse in 1984

- deregulate
- corporatise and privatise
- tax reform
- monetarist regime
- ECA 1991
- 1991 Budget
 - cut the level of welfare benefits (incentives and responsibility)
 - stricter waiting periods to re/qualify for benefit receipt
 - Family Benefit abolished.

National administration after 1990

- Began to explore welfare reform beyond simply cutting benefits and freeing-up markets.
- “Welfare to Well-being” brand after 1994 focussed on dependency culture and underclass.
- Economic growth not benefiting all sections of the population

Welfare to Work

- ‘Invalid’ and sickness beneficiaries as part of the deserving poor – required support and insulation from competitive jobs market (1935).
- New approach to work testing and to medical certification for SB and IB. Designated Doctor Scheme (1995)
- From 1998 alignment of SB rates with UB for new grants and introduction of Community Wage.
- Aim to narrow the gateway to benefits and ensure those with work capacity met obligations that were being placed on other groups

Welfare to Work: 1998 Budget

- Reviewed benefits, including Domestic Purposes Benefit (DPB), Widows Benefit (WB), Sickness Benefit (SB), Invalid Benefit (IB), and Unemployment Benefit (UB).
- Work testing obligations were introduced for those sole parents on DPB, for those in receipt of WB, and for spouses of working age beneficiaries
- A work-tested Community Wage for UB recipients.
- Plans to include SB recipients into the scheme and to trial work capacity process for SB and IB met resistance.

Welfare to Work: levers of change

Reconfigure institutions and policies (supports, incentives and sanctions)

Effect a broader cultural project

- re-conceptualise welfare, responsibility and citizenship
- Code of Social Responsibility
- 'Individualisation': 'problems' located in individual attitudes towards work and obligations.

New policy directions post-1999

- link economic and social policy;
- preventative welfare state;
- centrality of paid work;
- opportunities not redistribution;
- ‘inclusion/exclusion’ displacing ‘equality’;
- ‘what works’;
- citizens’ rights *and* responsibilities;
- steering a middle course.

Modernising: work-first

- Active labour market policy, and enhancing opportunities
- Highly skilled, innovative and responsive labour market
- Recognition of complexity: changing attitudes, providing services, or fostering incentives by themselves unlikely to be ‘golden bullets’.

Modernising: simplify system

- Labour continued earlier National theme of attacking the unresponsive welfare bureaucracy – Work and Income New Zealand criticised as ‘centralised, impersonal, unresponsive to real needs’
- Social security administration and delivery modernised, but also more fundamentally in terms of *purpose*.
- Single core benefit

Modernising: investment

- New directions including increased regional flexibility in delivering employment services and addressing skill shortages.
- Micro level - attempts to introduce responsive case management.
- Beyond minimal social policy

Modernising: exclusion as work-first

- at risk groups targeted: long term unemployed; sickness and invalid beneficiaries; young job-seekers; sole parents; mature job-seekers; Maori; Pacific Peoples; and new migrants.
- Platforms of *Jobs Jolt* (2003), *Working For Families* (2004), and recent reforms

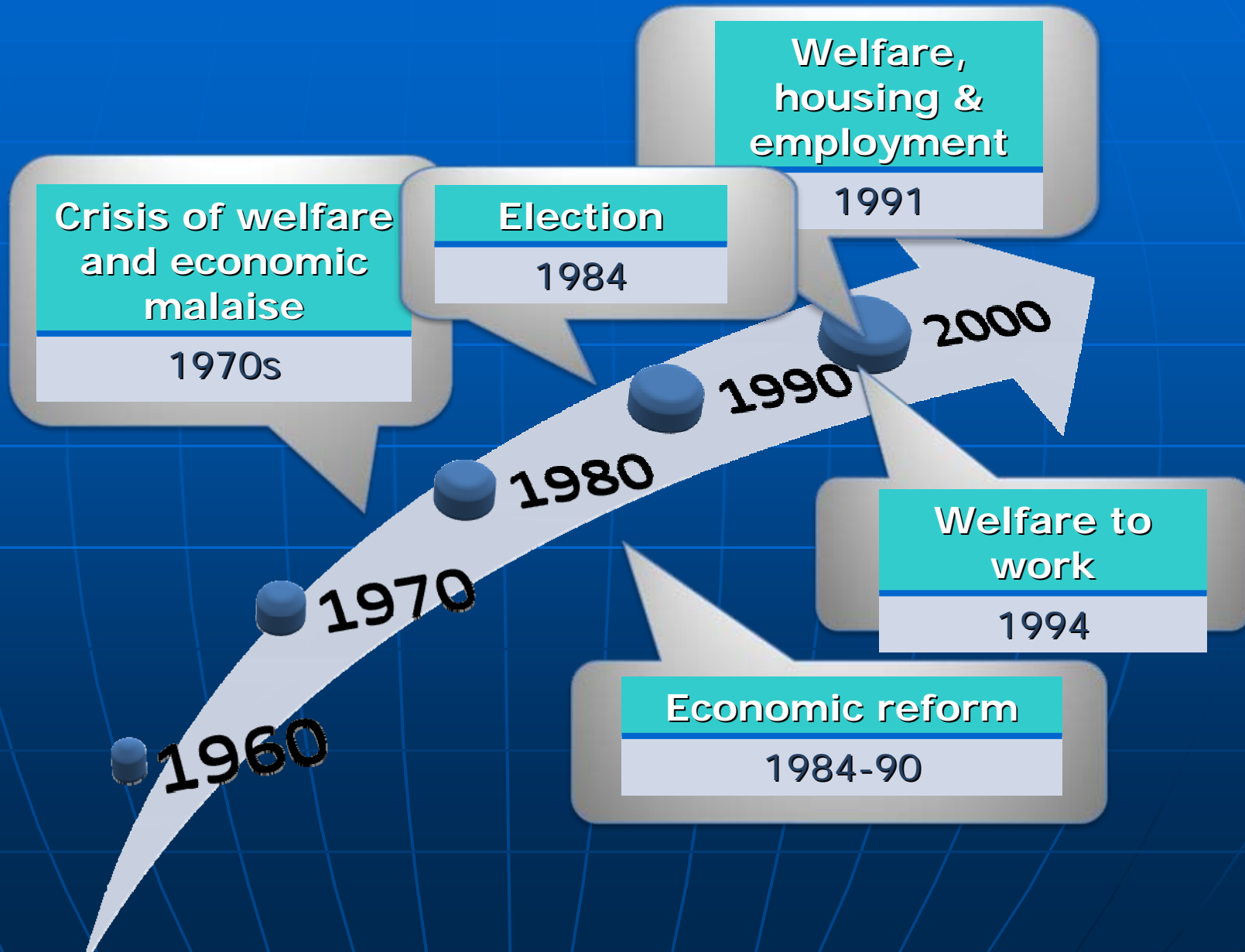
Modernising: responsibility

- Fiscal responsibility
- Individual responsibility
- (Social responsibility)

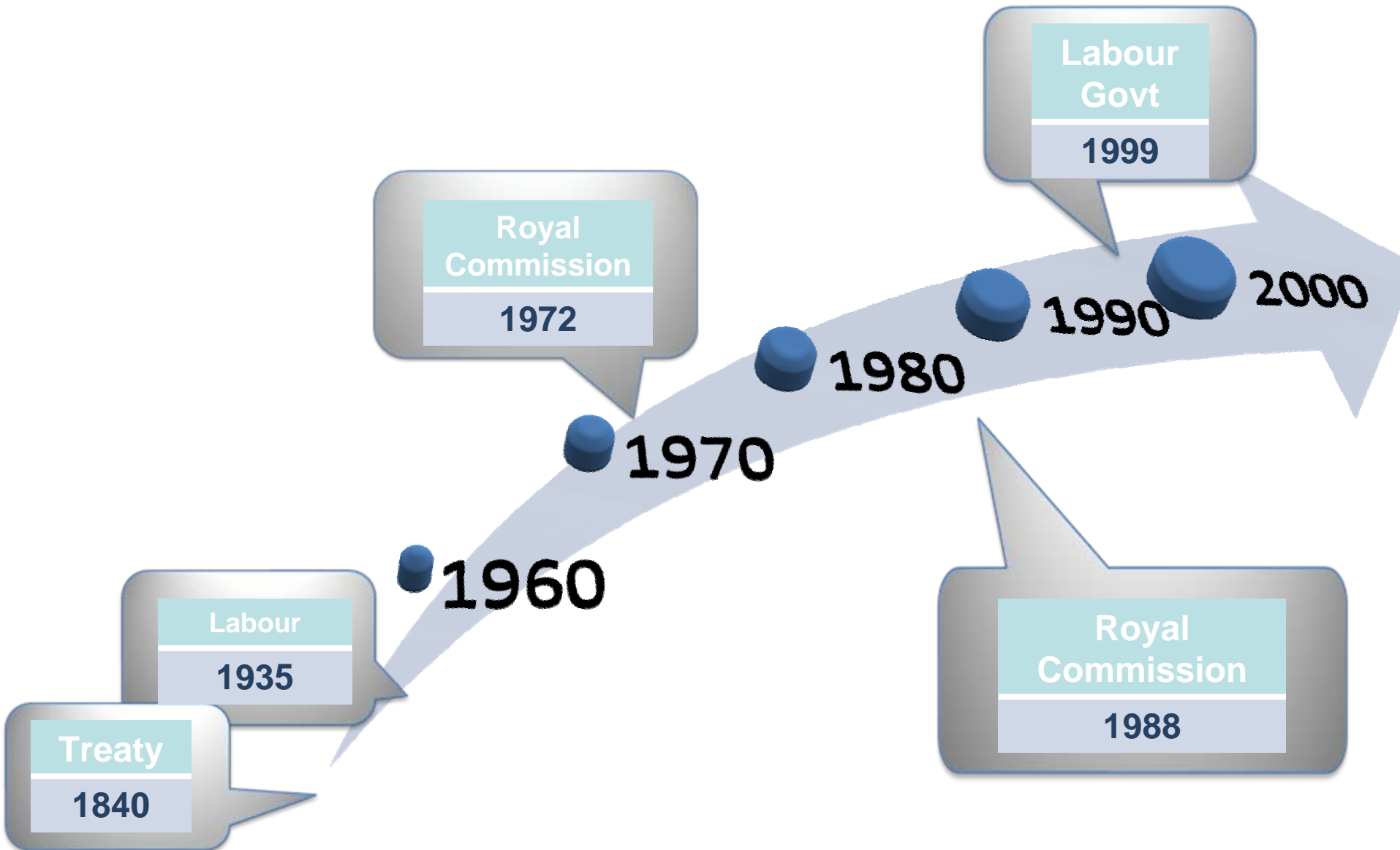
History never repeats: A short overview of recent welfare history

- “recent welfare history”
- “Not starting the story in the right place”

Labour policy as continuation of National's story?



Labour policy as continuation of a national story?





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