

Department for Work and Pensions Five Year Strategy

Opportunity and security
throughout life



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Opportunity and security throughout life

Presented to Parliament by
the Secretary of State for Work and Pensions
by Command of Her Majesty

February 2005

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Foreword

By the Secretary of State



We stand at a crucial point in the history of the welfare state.

We are able to look behind us and reflect on a series of major achievements. Since 1997 we've lifted 600,000 children out of relative poverty and

1.8 million pensioners out of absolute poverty. There are now 2 million more people in work, unemployment is at a 30-year low, and we are spending £5 billion less on unemployment-related benefits. We have dramatically increased the opportunities of disabled people and with the Disability Discrimination Bill we will complete our manifesto commitment to legislate for their full civil rights.

We've gone a long way in tackling the scourge of unemployment, inactivity and poverty. Today Britain is working, Britain is far more secure in retirement and more of Britain's children are growing up free from poverty.

Yet we know that there is more to do. We now need to build on this success and ensure the welfare state can meet the challenges we now face.

Increasingly people are seeking a career, not just a job; the make-up of the traditional family is changing with more women wanting to work; and those who were left behind on benefits in the past deserve support and help into employment. People are also living longer and healthier lives. This is to be celebrated. But it also poses our greatest challenge: to support an increasing number of people over State Pension age and in doing so enable people to make the work and savings decision required to meet their own retirement ambitions.

We know that work is the surest route out of poverty, and the best support that we can give to Britain's children is to ensure their parents can find employment. Yet, we also need to get more people into work if we are to meet the challenge of an ageing society and enable older people to live more independent lives and deliver the state financial support to which they are entitled.

That is why we will ensure that work is possible for more people and why our aspiration is to increase our 75 per cent employment rate to a record 80 per cent. We will establish a more inclusive labour market to ensure all sections of our society are benefiting from economic success.

We realise that in achieving our aspiration of an employment rate of 80 per cent it is crucial that we help people who are economically inactive and extend opportunities to many of those traditionally assumed to be outside the labour market.

We will introduce a complete childcare, skills and financial incentives package for lone parents, and we will refocus incapacity benefits on what people can do rather than what they can't with support to help people return to and stay in employment. By putting in place a comprehensive and effective package of support, based on both rights and responsibilities, our long-term aspiration is to reduce the number of people on incapacity benefits by as many as 1 million.

We will tackle discrimination and break down the major barriers to work for ethnic minorities, for those living in disadvantaged areas, and for those above State Pension age who wish to continue their employment.

Through the Disability Discrimination Bill we target the institutional discrimination and lack of accessibility that prevents more disabled people from working.

In moving forward to meet the challenging aspiration of an employment rate of 80 per cent, we will not, however, forget our commitment to provide security for those who are unable to work, whether through disability, caring responsibilities or old age.

We can only realise our ambitions if we transform the way we operate, continue to invest in the frontline services of Jobcentre Plus and The Pension Service, ensure that we have a better understanding of our customers and tailor our programme of reform to specific needs in the most effective way possible. We can only do this through our dedicated and highly skilled staff who remain our greatest asset.

We are encouraged by our success to date, but we are driven by our vision for the future.

The next five years will be challenging. Yet I am confident that we can go further than ever before towards banishing poverty from all generations; providing economic opportunity for all ages, all abilities and all social groups; and securing adequate support for all those unable to enter into employment.

A handwritten signature in black ink that reads "Alan Johnson". The signature is written in a cursive, flowing style.

The Right Honourable Alan Johnson MP
February 2005