

Opportunity and security throughout life

Introduction

Opportunity and independence for all

Mission statement

The Department for Work and Pensions exists to promote **opportunity and independence for all**. We provide help to individuals and support the country's economic growth and social cohesion.

The Department **helps individuals** to achieve their potential through employment, to provide for themselves, their children and their future retirement. We work with others to combat **poverty**, both of aspiration and outcome.

Introduction

1. The Government is committed to achieving a fairer, more inclusive society where nobody is held back by disadvantage or lack of opportunity. We are taking forward a programme of reform, aiming to:

- ensure the best start for all children and end child poverty by 2020;
- promote work as the best form of welfare for people of working age, while protecting the position of those in greatest need;
- combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners;
- improve rights and opportunities for disabled people in a fair and inclusive society; and

- ensure customers receive a high-quality customer service, including high levels of accuracy.

2. For most people, work is the best way to achieve economic independence, prosperity and personal fulfilment. Employment opportunity for all is a precondition for a fair society; social justice and full employment go hand in hand. Getting people into work reduces the risk that their children live in poverty through raising incomes and aspirations, while having a strong work history is the best way to ensure security in retirement. We must provide decent support for those who cannot work.

At the heart of our approach is employment opportunity for all, with security for those who cannot work.

3. Poverty and worklessness are problems in themselves, but it is the way they reinforce one another and multiply the barriers for the individual that make them such complex issues to tackle. For example:

- where parents, particularly lone parents, are out of work for prolonged periods, it leads to poverty for their children;

- childhood poverty is a predictor of negative adult outcomes, including inactivity and unemployment; and
- a pensioner's retirement income is determined by patterns of working and saving during their working life.

The challenges are more severe for some groups than others. Disabled people face particular challenges at all stages in the life cycle.

Figure 1: The life cycle diagram



Equality for disabled people supports successful outcomes at each stage in the life cycle.

4. These ambitions represent sound economics. Effective labour market policy boosts output and contributes to a more successful economy. This enables us to support an ageing population. As well as boosting overall output, our policies can ensure that the extra wealth is fairly shared by making sure more people enjoy the benefits of a regular wage. Our economy should not lose out on the human potential of those marginalised from the labour market, especially as their experiences of poverty will impact on future generations.

5. To deliver our ambitions, we are developing a new relationship between all stakeholders in society: individuals, employers and the Government. This new contract is about balanced rights and responsibilities, active support (not just benefits), and services tailored to the individual. The modern welfare state will help people as they seek work, support their children and plan for their retirement. However, in return people are expected to take advantage of the opportunities available to them.

6. This Strategy, which sets out the Government's policy priorities for the Department for Work and Pensions over the next five years, will be financed within available resources. Future resources will be determined in the normal way.

Achievements since 1997 – Building on macro-economic stability

- 2 million more people in work than in 1997.
- Best combination of employment and unemployment figures of the G7 major industrialised countries.
- 700,000 fewer children in relative poverty.
- More than 50 per cent of lone parents in employment for the first time.
- Numbers on incapacity benefits stabilised, after having trebled between 1979 and 1997.
- More than 50 per cent of disabled people in employment for the first time.
- One of the best health and safety systems in the world.
- Over 6 million more people accruing second-tier pension.
- Pensioners in absolute poverty down by two-thirds, or 1.8 million.
- New legislation to give full civil rights to disabled people.
- Labour market policies extended from the unemployed to all those economically inactive through the new Jobcentre Plus service, which provides integrated employment and benefits advice tailored to specific customer groups.
- The Pension Service now provides the first ever dedicated public service specifically for today's pensioners, and a source of valuable financial advice for those saving for retirement.
- Fraud halved in Income Support and Jobseeker's Allowance.

We have been able to commit significantly greater resources to reducing child poverty and pensioner poverty. We have done this while reducing expenditure on unemployment-related benefits by £5 billion since 1997. Overall, this has helped to ensure that the proportion of social security spending as a share of Gross Domestic Product (GDP) has been contained. Including tax credits, welfare spending has declined from 12.3 per cent of GDP in 1997 to 11.6 per cent today.

