



**ANTI CUTS COALITION**

*We reject the cuts as simply malicious ideological vandalism hitting the most vulnerable the hardest - Join us in this struggle*

# THE WELFARE STATE

## FACTS &

## FARRAGO

## Busting some myths about benefits

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**Myth 1** There is a big problem with families where generations have never worked  
The truth is that the Labour Force Survey shows only 0.3 per cent where two or more generations of working age have never worked.

**Myth 2** Most benefits spending goes to unemployed people of working age  
This is completely wrong. The biggest element of social security expenditure (42 per cent) goes to pensioners. Then housing benefit is next, accounting for 20 per cent, of who one-fifth are in work. Then 15 per cent goes on children, through child benefit and child tax credit. Some 8 per cent goes on disability living allowance, 4 per cent on income support mainly for single parents and carers, 4 per cent on employment and support allowance to those who can't work due to sickness or disability and 2 per cent on carer's allowance and maternity pay. Just 3 per cent is spent on jobseeker's allowance.

**Myth 3** Benefit fraud is high and increasing  
The latest official DWP estimates show that last year just 0.7 per cent of benefit expenditure was overpaid due to fraud, including a mere 0.3 per cent for incapacity benefits. It is equally false that benefit fraud is increasing. The figures for combined fraud and customer error for jobseeker's allowance and income support show it halved from 9.4 per cent in 1997-8 to only 4.8 per cent in 2004-5.

**Myth 4** Couples on benefits are better off if they split up  
In fact, research by the Joseph Rowntree Foundation found that the benefits system provides very similar living standards to families irrespective whether they live together or apart.

**Myth 5** The welfare bill has ballooned out of control and grew unsustainably under Labour

In fact welfare expenditure totalled 11.6 per cent under the Tories in 1996-7, but only 10.7 per cent under Labour up to the crash in 2008-9.

**Myth 6** Most benefit claims are long-term so that claimants "languish in dependency"

The truth is that over the 2003-8 period leading up to the crash, only 37 per cent received incapacity benefit long term, while 38 per cent were on benefit for less than one year.

**Myth 7** Social security benefits are too generous

In fact unemployment benefit levels fall well below what research shows most people believe should form a minimum household budget. A single adult of working age receives just 40 per cent of the weekly minimum income standard and a couple with two children receive only 62 per cent of the weekly minimum.

**Myth 8** Most people who claim disability benefits could be working

The truth is that many of the people claiming incapacity benefits are those with low employability in areas of few jobs. Unemployment remains at 2.6 million, there are an average of eight people chasing every available job and most employers - given the choice, which in a very slack labour market they have - would prefer not to take on the risk and hassle of implying a disabled person. Many people then end up in a situation where they are not fit enough to do the jobs they can get, but can't get the jobs they can do.