

Letter from the Department of Work & Pensions Minister

I have received a letter, reproduced below, from the Minister at the Department of Work & Pensions.

Dear Colleague,

COVID-19 SUPPORT: FOCUSING ON AND INVESTING IN OUR JOBS RECOVERY

Over the past year, the UK Government has helped millions of people as part of its Plan for Jobs to protect, support and create employment. As we emerge from the pandemic and learn to live with COVID-19, we remain focused on creating new, better jobs, and helping people gain the skills they need to succeed. More people are getting back into work, the number of payrolled employees has returned to pre-pandemic levels and there are record levels of vacancies. This is a tribute to the British people and businesses and a testament to our comprehensive and unprecedented £400 billion package to support people and businesses through the economic shock from COVID-19. Despite the biggest recession in 300 years, our support package has helped to safeguard jobs, businesses and public services in every region and nation of the UK, demonstrating it was right to provide exceptional support while widespread COVID-19 restrictions were in place.

The temporary £20 uplift was an important part of the measures we took, helping people facing the greatest financial disruption, specifically those who came onto Universal Credit because they saw their hours reduced and incomes fall suddenly as a result of pandemic restrictions. We have always been clear that this was a temporary measure, responding to extraordinary circumstances. In line with other emergency support it helped to protect livelihoods through the worst of the pandemic. With most restrictions lifted and with record numbers of vacancies, it is right that we now focus on, and invest in, jobs and improving the prospects for those already in employment as we bring these measures to an end.

The Government recognises the importance of giving people time to prepare for a change in their

income. Which is why DWP has been proactively communicating this change with claimants. In July, we updated the UC statement to show claimants they have been receiving an additional £86.67 a month in response to the pandemic. In August and September, we notified all claimants via two separate UC journal messages that this temporary measure would be coming to an end. These messages outline the date of their last payment which includes the uplift and signposts claimant's to organisations who can help with budgeting, and additionally to the "Universal Credit: help with managing your money" guidance on GOV.UK. Our Work Coaches have been supporting claimants on changes to the uplift during appointments, as well as signposting claimants to additional support if it is required. We have also increased the number of people on the telephone helpline and are monitoring phone lines and UC journal entries to identify vulnerable claimants who may need further support.

We will issue a final statement change to inform claimants that Assessment Periods ending on, or after, 6 October 2021 will not include the £20 per week uplift.

We recognise that some people are worried about the cost of living, which is why as well as helping people move into better-paid work and to progress in work, we are also continuing to support people with the cost of living and put more pounds into the pockets of low-income families. This includes raising the National Living Wage, doubling free childcare, supporting households at risk of fuel poverty through the Warm Home Discount, increasing the value of Healthy Start Vouchers and through the Holiday Activities and Food Programme. In addition, our new Household Support Fund will make £500 million available to local authorities during October to help the most vulnerable households with the extra costs of this winter. The Barnett formula will apply in the usual way, with the devolved administrations receiving up to £79 million of the £500 million.

For those who require further assistance managing their money, the Money and Pensions Service (MaPS) provides free and impartial debt advice, money guidance and pension guidance through their MoneyHelper service which can be accessed at www.moneyhelper.org.uk/en. Individuals who require help managing payments, credit or loans could also access breathing

space through debt
advisors if they are eligible.

As our recovery gathers pace, the Government is continuing to help people into work and increase their earning potential – the most sustainable route to financial security and the best route out of poverty. We're investing billions through our Plan for Jobs and the Lifetime Skills Guarantee. With over a million vacancies in our labour market and more than 27,000 Work Coaches are helping people get into work and improve their prospects. We've got dedicated programmes helping those of all ages; Kickstart for young people; JETS for those directly impacted by the pandemic; SWAPs helping match talent to opportunity by switching sectors; and Restart for the longer term unemployed. But, our support isn't limited to those seeking work – Work Coaches are able to help those already in jobs with extensive training opportunities and other support to boost their hours and further their employment prospects.

With the economy rebounding, and backed by our Plan for Jobs, we have a unique opportunity, to help people move into new and better paid jobs, progress in their existing job, raising their earnings and building their financial resilience. We are dedicated to these tasks as we build back better and fairer.

DAVID RUTLEY MP
MINISTER FOR WELFARE DELIVERY

Bottlenecks and opportunities

World supply is damaged. China has introduced electricity rationing and is producing less as a result. Some Chinese ports have been partially closed for periods this summer thanks to continuing covid outbreaks. World shipping has been disrupted by shortages of empty containers, by a Suez Canal blockage and by pandemic restrictions. There is a general shortage of heavy goods vehicle drivers across Europe. China, the USA and the EU are turning to policies that rely more on home production and less on imports and global collaboration. There is a gas shortage worldwide, worsened by a period of little wind to generate power that way and by Russian negotiations over the new pipeline to Germany . The regulator still has to grant a licence for the pipeline which

is fully compliant with EU rules. There are skill shortages on both sides of the Atlantic as economies recover from the anti pandemic closures.

The UK labour market despite the lockdowns has relatively low unemployment and a high level of vacancies. Some lower paid activities are in particularly short supply. There needs to be an adjustment, with people offered training and better pay and conditions to ensure we have enough HGV drivers, care workers, food processors, farm workers, chefs and the rest. We also need to make sure there are enough people going through the longer training periods to be nurses, doctors, engineers and similar so we do not have to rely on inviting them in from lower income countries that need their own people.

Whilst in the short term these stresses are worrying to people, they are also an opportunity to improve the lives of many. I have written and spoken before about truck drivers. There is now greater agreement that they need better break and overnight facilities. They could also do with Highway departments that understand their needs to get to shops, hospitals and other customer places more easily. There does need to be better pay for those still on low pay and for those the industry needs to attract. It is primarily a task for employers to offer the better packages and to support people through training where necessary. Government needs to see through its promises to greatly expand training and testing capacity and should with Councils work on improving the conditions for drivers on the public highway and in parking and rest facilities.

Employers in a number of areas need to do a similar exercise. In the care sector local government has a role to play as the buyer and user of many services. What combination of better training, more machine power and other support, and pay is needed to recruit the workforce needed? On the farms what investment can there be in support equipment and labour saving machinery to get the crops in, the fruit picked and the vegetables packaged? There is still a long way to go with growing methods for fruit and vegetables to make them easier to pick and pack. Can the hotel and restaurant industry offer better career opportunities including training more chefs?

[My interview on GB News](#)

Here is a short clip of my interview on GB News last night:

Labour's Lost Loves

(I am publishing tomorrow's blog now following Sir Keir's speech)

Welcome to the 1990s. Labour has dusted down the Mandelson playbook. It has staged a conference to show its not so new leader can purge the party of the left. We've had the policy toughness, denying the wish for a higher minimum wage. We've had the personal toughness, forcing out a Shadow Cabinet member for refusing to loyally celebrate lower pay. We've had the mood music toughness, with the handful of Starmer supporters sent out to portray the socialists in the party as a disloyal rump. The result was a watered down change to the constitution, a defeat of the official minimum wage policy in the vote and plenty of tv debates revealing the big split at the heart of the party.

We will watch to see how they now fare in the polls. Commonsense tells you that stoking a civil war and trying to purge the Labour party of its socialist heart will not add votes. The polls probably rely more on how well or badly the government does anyway. No amount of striving got Labour into competitive shape between 1979 and 1992. The disaster of the Exchange Rate Mechanism pro EU policy by John Major shot them back into contention when the full magnitude of the recession it sparked became clear. No amount of modernisation and reform got the Conservatives back into competitive form, from 1997 to 2007. Labour's even more disastrous banking crash and Great recession then rocketed the Conservatives into first place in the polls.

For years Labour and Lib Dems have relied on their hostility to Brexit to provide opposition to the Conservatives. Now Brexit is largely done, with many voters wanting it properly finished by taking control of Northern Ireland trade and fish, continuing with hostility to the majority view does not look productive. The Remain bias of Opposition parties over the last few years has come across as backward looking, negative and anti democratic and ensured their big defeat in 2019. So today they need to look for something else. They seem to be moving towards two possible areas of difference with the Conservatives .

The first is they wish to out green the Conservatives, and to focus green policy on a more determined rush to net zero. This will help them with younger voters and with a certain kind of well qualified urban elector, but it will leave them well short of a majority. They will find that as the election draws nearer so they will be pressed on what a faster approach to net zero means. If it means dearer heating and transport, the need to spend a lot of money on ripping out the gas boiler, an enforced earlier switch to electric cars, the need to pay high carbon taxes and the rest they will find many voters will not support that in the privacy of the ballot box. Voters will say they support the idea of net zero for fear of retaliation, but they will not vote for policies that deliberately limit their freedoms or make them worse off.

The second is the wish to be generous and kind to the rest of the world and

to see the crusade against poverty in global terms. They will stand up for the restoration of free movement with the continent, for higher levels of overseas aid, for generous definitions of asylum seeking and the idea of running here a World Health Service free for all. Again that will cement various groups of socialist voter, but will not shift the dial to retake the Red Wall seats they lost in 2019.

Sir Keir Starmer's essay did not reveal any great talent for finding the big political idea that people want, nor any ability to encapsulate in great phrases and pithy arguments what Labour is about. The negative of just taking socialism out of the Labour party does not spread enough joy and hope to the many but comes with the price of division.

[The EU, Mr Biden and Northern Ireland](#)

The EU continues its negative approach to international relations. It has picked a fight with the USA over their agreement to link with Australia and the UK in a submarine and Asia defence deal, indulging in French tantrum diplomacy. Apparently daily it seeks to undermine the UK in Washington using its large embassy staff to brief the Administration and politicians with a very misleading and biased account of the Northern Ireland Protocol. They probably urge the President not to offer a Free Trade Deal to the UK as they seem worried by the prospect of one. As I have often argued we can get to a FTA with the USA by both the UK and the USA joining the TPP, or by the UK joining the US/Mexico/Canada Free Trade Agreement which might even be possible under this President. Meanwhile we have a great trade with the USA without any FTA as there was no EU/USA Trade Agreement to roll over when we left. The WTO works fine.

The EU misrepresentation of the Northern Ireland Protocol and Good Friday Agreement is more concerning and does need correcting. The UK Embassy in Washington and our new Foreign Secretary need to redouble UK efforts to get across the UK and Northern Ireland majority view of the issue to the USA. The Northern Ireland Protocol is not essential to the Good Friday Agreement which is not about trade matters. The Good Friday Agreement is fully supported by the UK and Republic of Ireland governments. It sets out constitutional provisions of importance and is based around a mutual respect for and by the Catholic and Protestant communities.

The Protocol as interpreted by the EU is harming relations within Northern Ireland and between NI and the Republic because it does not respect the wishes of the majority community. As interpreted by the EU it is denying NI the advantages of membership of the UK single market which was meant to be guaranteed. There is clear evidence of diversion of trade from NI/GB to NI/EU though this is ruled out by the Protocol. The document states "Having regard to Northern Ireland's integral place in the UK's internal market, the Union

and the UK shall use their best endeavours to facilitate the trade between Northern Ireland and other parts of the UK". The Union has been doing the opposite.

The UK will need to take action to restore the integrity of the UK internal market in NI. NI should not be impeded in getting GB products and supplies whilst of course UK companies selling into NI can ensure there is no seepage of goods destined for NI into the Republic. Trusted trader schemes, electronic manifests and spot inspections by UK officials away from borders can police the trade. A trusted UK supermarket company or large retailer should be able to stock their NI branches as they do their GB branches without EU interference. NI/UK and the Republic of Ireland have a good history of co-operating to stop smuggling over the NI/Republic border during our time in the EU, as the EU/NI border was a VAT, excise and currency border throughout. We did not need border posts as these matters were sorted out electronically away from the border.

The UK diplomats should explain to their US contacts that the EU is wrongly interfering in our internal trade. It would be like Canada saying it needed to police and inspect US goods moving from other US states to Alaska in case they ended up in Canada instead. I don't think US politicians would countenance that.

They should also read out the crucial Article 16 of the Protocol which states "If the application of this Protocol leads to serious economic, societal or environmental difficulties that are liable to persist, or to diversion of trade, the Union or the UK may unilaterally take appropriate safeguard measures". There is clear diversion of trade going on so we need to act.