

# Labour calls for Universal Credit roll out to be halted: new evidence of the impact on working people

Labour is calling for the roll out of Universal Credit to be halted as new data shows that while wages are failing to keep up with inflation, cuts to in-work social security support have meant most net incomes of recipients have flat-lined in real terms and in some cases worsened, with women and people from ethnic minority communities worst affected.

Analysis from the House of Commons Library, shows real wages stagnating and in-work support contracting for both private and public sector workers.

The analysis looked at different types of households and income groups all working full time. It shows single parents with dependent children being particularly badly affected, with up to £3,100 a year less than they received with Tax Credits.

The analysis also shows that nurses and teachers will be hit particularly hard by the combination of stagnating wages and cuts to social security.

A single parent of two working full-time as a teacher who is a new claimant to Universal Credit will be around £3,700 a year worse off in 2018/19 compared to 2011/12. A single parent of two working in the NHS on average full time earnings for the public sector who is a new tax credit claimant will be over £2,000 a year worse off in real-terms in 2018/19 compared to 2011/12.

Equality analysis published in response to a Freedom of Information request submitted by Labour, predicts cuts to Universal Credit will fall most heavily on women and ethnic minorities. This analysis shows that households with a woman or member of an ethnic minority are more likely to be adversely affected by cuts to Universal Credit work allowances.

**Debbie Abrahams MP, Labour's Shadow Secretary of State for Work and Pensions**, commenting on the newly-published analyses, said:

"It is shocking that most people on low and middle incomes are no better off than they were five years ago, and in some cases they are worse off. The Government's cuts to in-work support of both tax credits and Universal Credit are having a dramatic effect on people's lives, on top of stagnating

wages and rising prices.

“It’s no wonder we are seeing record levels of in-work poverty, now standing at a shocking 7.4 million people.

“These analyses make clear that the Government’s abject failure on living standards will get dramatically worse if Universal Credit is rolled out in its current form.

“That’s why Labour is calling for the roll out to be stopped while urgent reform and redesign of Universal Credit is undertaken, making sure work always pays and that hardworking families are supported, creating a fair society for the many, not the few.”

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## **The Government still has no viable plan to deliver frictionless trade with our largest market and closest allies – Keir Starmer**

**Keir Starmer MP, Labour’s Shadow**

**Secretary of State for Exiting the European Union**, commenting on the Government’s

latest customs proposals for our future relationship with the EU, said:

“The Government’s proposals are ambiguous, unachievable and offer no viable solutions.

“The first proposal for a streamlined customs arrangements is code for a hard-edged exit from the Customs Union, which will inevitably involve a border between the UK and any trading partner, including the EU27. This will mean delays and costs for UK businesses, especially manufacturing. The Government appear to be relying on unspecified technological solutions to reduce these burdens, but they can’t suggest how and when these new systems could be in place or how much they might cost.

“The second proposal is in David Davis’s own words “untested”. That’s because it is, in truth, a half-in half-out proposal without any clarity about how the Government plan to negotiate or deliver it. This will almost certainly entail considerable new bureaucratic burdens for British businesses, including complicated “tracking

and repayment mechanisms”.

“We’ve seen today that the Government still has no viable plan to deliver frictionless trade with our largest market and closest allies. They are, as ever, putting jobs and the economy through their chaotic handling of Brexit.”

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## **Labour launches national State Pension tour as Tories plan to make 36.9 million people work longer – Debbie Abrahams**

**Labour launches national State Pension tour as Tories plan to make 36.9 million people work longer**

Debbie Abrahams MP, Labour’s Shadow Secretary for Work and Pensions, will meet with pensioner groups and local residents across the UK to discuss how a future Labour government can provide dignity and security in retirement.

The Conservative Government has announced plans to extend the retirement age from 66 to 68 from 2037, which will see 36.9 million people having to work longer.

Analysis by the Labour Party shows the number of people who will be affected by the Tories increase in the State Pension age, broken down by constituency.

Tens of thousands of people in every constituency who are currently under 48 years old will be affected, including 56,547 people in Theresa May’s constituency of Maidenhead, 59,290 in David Gauke’s constituency of South West Hertsfordshire and 61,753 in Philip Hammond’s constituency of Runnymede and Weybridge.

Labour has rejected this increase to the State Pension Age and instead is reviewing a flexible retirement age as part of the party’s Commission on Pensions.

**Debbie Abrahams, Labour’s Shadow Work and Pensions Secretary, said:**

"Thanks to the Tories increasing the State Pension age, 36.9 million people will be forced to work longer, at the same time that evidence indicates life expectancy has stalled in some places and is reducing in others.

"Conservative MPs must explain to the tens of thousands of people in their constituencies, why the burden of Tory austerity is being pushed onto them, while corporations and the richest individuals receive tax breaks.

"Theresa May should answer her 56,547 constituents, and the 36.9 million people across Britain, whose hard-earned retirements are being postponed because of her government.

"Labour will keep the State Pension age at 66 and this tour will help us review, as part of our commitment to people powered politics, the pension system, with a view to guaranteeing a secure and healthy retirement for the many, not just the few."

**Ends**

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## **Rail fare rises under Tories are 'truly staggering' – Andy McDonald**

Labour compared costs on over 180 routes between when the Conservatives came to power and the projected new prices that will be implemented this January 2018.

The average commuter will now be paying £2,888 for their season ticket, £694 more than in 2010.

New figures released today by Labour show:

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From

January, some commuters will be paying over £2,500 more to travel to work than they were in 2010.

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The

highest increase was on a Virgin Trains season ticket between Birmingham and London Euston which will have risen by £2,539 since 2010 and now costs £10,567.

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The biggest percentage increase identified was between Thame Bridge Parkway near Walsall and Nuneaton, where the cost of an annual season ticket will have risen by 48 per cent since 2010.

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In Theresa May's own constituency the cost of an annual season ticket from Maidenhead to London Paddington has risen by £736 since 2010.

**Andy McDonald MP, Labour's Shadow Secretary of State Transport,** commenting on today's rail fare figures, said:

"The Tories' failure on our railways means passengers have faced truly staggering fare rises, some of over £2,500, since 2010 with fares having increased twice as much as wages.

"Commuters have repeatedly been told that higher fares are necessary to fund investment, but promised investment has been cancelled and essential works have been delayed for years.

"Decisions taken by government Ministers are making rail travel unaffordable for the many in favour of huge profits for the few. By pegging regulated fares rises to the Retail Price Index, the Conservatives are leaving commuters facing year on year price hikes.

"The truth is that our fragmented, privatised railway drives up costs and leaves passengers paying more for less. The railways need serious reform that could be achieved if the Tories matched Labour's manifesto policy to extend public ownership to passenger services, but instead Ministers are persisting with a failed model of privatisation that is punishing passengers."

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**[Latest incoherent and inadequate](#)**

# proposals on customs arrangements are designed to gloss over Cabinet divisions – Starmer

**Keir**

**Starmer MP, Labour's Shadow Secretary of State for Exiting the European Union, commenting on the Government's latest proposals on customs arrangements, said:**

"These are incoherent and inadequate proposals designed to gloss over deep and continuing divisions within the Cabinet.

"Businesses, trade unions and the country need certainty about our future trading and customs arrangements. They also need a pragmatic and considered approach that delivers the best deal for Britain.

"Instead, the Cabinet remain split on key issues and cannot decide between two very different but equally unachievable options. The first proposal suggests "a new customs border with the EU" could be introduced without disrupting trade; the second suggests a new borderless customs partnership could somehow be agreed while Britain also signs external trade deals.

"These fantastical and contradictory proposals provide no guidance for negotiators or certainty for businesses. The proposals also make it less likely that necessary transitional arrangements will be in place by March 2019.

"Labour is clear that we need to retain the benefits of the Customs Union and avoid a cliff-edge for the British economy. That means committing now to strong transitional arrangements on the same basic terms we currently enjoy – including the Single Market and the Customs Union."

**Ends**