

Getting Britain Working-Liz Kendall

INTRODUCTION

It really is brilliant to be here in Barnsley as you launch your pioneering report on “Pathways to work”.

You identify tackling economic inactivity as a critical challenge and opportunity, for your town and our country.

You call for a national ambition

.... to build a more inclusive economy

... where people have a right to work

... and the expectation they'll be helped to do so.

You say achieving this will require a radically new approach

.. not only across Government but by employers, the NHS, Mayors, councils, charities, colleges, communities, and by citizens themselves.

I am here today to say loudly and clearly.

That's precisely what this Government will deliver.

GETTING BRITAIN WORKING AND GROWING

In the first two weeks in Government, Chancellor Rachel Reeves and the Deputy Prime Minister Angela Rayner, have taken immediate action to get our economy growing again.

Overhauling the planning system.

Launching the National Wealth Fund.

Creating Skills England.

And, with the support of my department, unlocking pension investment too.

Growth is the number one priority of this Government.

Because it is the only sustainable way that we will improve people's living standards and rebuild our vital public services.

Our plan to Get Britain Working is central to this goal.

DWP is the HR department of the Government's growth mission.

But in order to realise that, we need fundamental reform.

So a department for welfare becomes a genuine department for work.

Driven by the liberating potential of good work for individuals.

And by the pursuit of full and fulfilling employment in every corner of our land.

MY BELIEF IN WORK

But before I say more about our reforms, I want to say something more personal.

I have always believed the benefits of work go far beyond a pay slip.

Having a job and providing for yourself and your family gives millions of people across Britain dignity and self-respect.

Work can bring pride. Fulfilment. Relationships and connections.

A sense of purpose. Value. And control.

Good work is good for mental health.

And – for millions of women – work can bring freedom, equality and independence too.

Many of us have to take time away from work. Sometimes because we want to, often because we have to.

To study, bring up a family or care for a loved one. Or because of ill health, or disability.

Valuable contributions to our society come in many different shapes and forms.

People have been denied the chance and the right to participate in the world of work.

They've been excluded.

Then labelled, and blamed for the position they're in.

If this is what has happened to you, my message today is:

We hear you.

We are on your side.

And we will work day and night to put this right.

BRITAIN ISN'T WORKING

Employment is down, unemployment is up, and our workforce is shrinking.

Britain isn't working, in three damaging ways.

First, we've seen record numbers of people – 2.8 million of our fellow citizens – excluded from the workforce due to long-term sickness.

A similar number are actually in work with health problems, often at risk of falling out.

The last Parliament saw the biggest increase in economic inactivity in 40 years.

Many of these 'hidden unemployed' are over 50, struggling with bad hips, knees and joints – something I have experienced myself. The majority are women, often caring for elderly or disabled relatives at the same time.

Spiralling economic inactivity is bad for individuals, many of whom want to work – as your report clearly shows.

It's bad for employers, who are desperate to recruit.

And it is bad for our public finances too.

The OBR says spending on sickness and disability benefits is set to increase by £30 billion over the forecast period.

Imagine what a fraction of that money could do instead.

The second problem we face is that far too many people are stuck in low paid, poor quality work.

Only 1 in 6 low paid workers only ever fully escapes into better paid work. Many are in insecure jobs, with unpredictable working patterns.

The result is too many people are in poverty despite being in work. Too many people lack power or control over their lives. And it leads to stagnant productivity, which is holding our economy back.

The third major problem is that nearly 1 million young people – a staggering 1 in 8 – are now not in education, employment or training.

That is up 90,000 in over the last year alone.

Young people struggling with poor mental health and lacking basic qualifications face the greatest disadvantages.

Each and every one should have their whole future ahead of them.

Now these three challenges are all far worse in parts of the Midlands and the North.

And they show the scale of the challenge this new Government must now confront.

WHY BRITAIN ISNT WORKING

So why have we ended up here?

The causes of the problems we face are complex. In part they reflect the impact of economic, social and demographic forces affecting our country.

But I am convinced that the [previous] approach has harmed people's capacity to cope and thrive in the face of the challenges we have in future.

The fundamental problem is that the current system - of DWP, Jobcentres and other employment support - is almost entirely designed to address the problems of yesterday, not today, tomorrow and beyond.

We must – and we will – do everything to keep unemployment low.

But the most urgent challenges today are different.

They are about how we deal with spiralling inactivity, driven by the fact we are an older, sicker nation.

They're about how to ensure all young people get the education, skills and job opportunities they need to kick start their careers.

And they are about how we enable people – whatever their age – to have decent pay and the chance to build a career. And to benefit from good work that gives them the chance to thrive.

DWP was focused almost entirely on the benefits system. And specifically on implementing Universal Credit.

JobcentrePlus a benefit monitoring service, not a public employment service – which was its original aim.

Nowhere near enough attention to the wider issues – like health, skills, childcare, transport – that play such a huge role in determining whether you get work, stay in work and get on in your work.

The result is a system that is too siloed and too centralised.

Which fails to properly join-up health, work and skills.

And we aren't rooted in local economies or driven by local needs.

As today's report rightly concludes: "People who are economically inactive are not one single group. There will be a few who may act fraudulently. Others who say they cannot work, who could ... but the vast majority ... face a complex range of barriers ... which stop them from getting what both they and policy makers want: a pathway into paid employment."

Now I believe in personal responsibility. Under this Government there will be obligations to engage with support, look for work and to take jobs when they are offered.

As there have been since the original Beveridge report was put in practice.

But I am in politics to solve problems. Not score cheap points or grab empty headlines that do nothing to tackle the real problems in people's lives.

OUR PLAN

This new Government will be driven by the evidence and by the facts.

As our new Prime Minister says...

No more politics by performance.

No more sticking plaster solutions.

But a serious Government with a serious plan for a decade of national renewal.

This starts with a new focus and fundamental reform of the DWP.

Put simply, under my political leadership the DWP will shift from being a department for welfare to being the department for work.

And to make this real, let me set out the actions and reforms I am setting in train.

NEW GOALS

First, new goals.

As Keir Starmer said during the election campaign, this Government has a bold, long-term ambition to get an 80% employment rate.

Currently, that would mean over 2 million more people in work.

Growth boosted by tens of billions of pounds a year.

And a multi-billion a year boost to the public finances too.

We will pursue this ambition alongside our wider economic goals to raise productivity and living standards and to improve the quality of work - as part of the Government's growth mission.

And our employment support system will change the outcomes we seek to achieve - higher engagement, higher employment, and higher earnings too.

My Department will support local areas to make a success of this new approach, starting by devolving new powers over employment support to catalyse action and change.

Because the man – or even woman – in Whitehall will never know what's best for Barnsley, Blackpool, or Birmingham.

DELIVERING THE GOVERNMENT'S GROWTH MISSION

To drive these changes forward and deliver on our manifesto commitments, we will produce a White Paper to Get Britain Working Soon.

This will support the other steps we are taking across Government.

Creating more good jobs in clean energy and through our Modern Industrial Strategy.

Making work pay and improving the quality of work, through the New Deal for Working People.

NEW REFORMS

Alongside these new goals there will be fundamental reform...in three connected parts:

First, a major overhaul of our Jobcentres.

Only 1 in 5 people who are looking for work say they use a Jobcentre, and as Alan said only 1 in 6 employers who need staff use them to recruit.

This actually drops to 1 in 10 for SMEs – the lifeblood of our economy.

This must change.

So we will create a new jobs and careers service, bringing together Jobcentre Plus and the National Careers Service focusing on helping people.

This service will be focused on helping people get into work and get on at work, not only on monitoring and managing benefit claims.

It will mobilise the potential for new technologies and AI to better help people who are looking for work, or wanting to develop their careers.

And it will enhance and improve support for employers too which your report says is critical.

Second we will establish a new youth guarantee to offer training, an apprenticeship, or help to find work for all young people aged 18 to 21.

And today, I can confirm that we will empower Mayors and local areas to take the lead in driving down economic inactivity and driving up economic opportunity – taking inspiration from the brilliant report we are here to launch today.

Devolving powers from central Government is key to enabling areas to deliver ambitious new Local Growth Plans. And as part of this we will give local places the responsibility and resources to design a joined-up health, work and skills offer that's right for local people.

Our aim is nothing less than a fundamental shift in the balance of power and resources to local areas ... so that our Mayors, local councils, the NHS, businesses, colleges and the voluntary sector can work together to deliver real employment opportunities for local people.

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Making work pay and improving the quality of work, through the New Deal for Working People.

Cutting NHS waiting times, improving mental health support particularly for young people, and transforming skills and childcare ... so we tackle the root causes of worklessness and fix the foundations of work, not simply paper over the cracks.

And we are committed to working across Whitehall to tackle these complex problems, which is what our new mission-driven government is all about.

NEW ROLE FOR DWP

Now let us be honest, these new goals and reforms I have set out will require the department I lead to make a different contribution in the years ahead.

Under my leadership, the DWP will continue to be a major provider of employment support, through the national jobs and careers service.

But we will also need to be:

...a driver of innovation, experimentation, and learning, to develop new solutions to complex problems and build the evidence base, just as your pilot seeks to achieve.

...a capacity builder, working alongside local areas to create the conditions for success, such as – and this is essential - sharing and unlocking data.

...and a guardian and champion of quality, outcomes, and user voice and value for money.

This is hugely challenging but exciting agenda for radical public service reform.

And to help drive our work, I can announce today that I will be establishing a new Labour Market Advisory Board.

A group of leading labour market experts to provide me and the department with insight, ideas, and challenges as we deliver a fundamentally new approach.

I am absolutely delighted that Professor Paul Gregg, former Director of the Centre for Analysis of Social Policy at the University of Bath has agreed to lead this new Advisory Board and we will be announcing further members shortly.

CONCLUSION

I am under no illusions about how big a change this will be.

It can't happen overnight.

But we can and we will roll up our sleeves and make a start.

So if you're a young person with a mental health problem, or lacking basic skills, we will help you reach your potential.

If you are disabled and want to work, you will get the respect and support you need.

If you're a mum, or caring for an elderly relative, we will be there with practical help so you can balance your work and family life.

If you're an employer who needs to recruit, or wants help to keep staff in work, we will support you and we will back you to find your next star employee.

Together, that is what we will deliver.

To get Britain growing again.

Get Britain building again.

And to get Britain working again.

Thank you.