

Con-Dems worsen the housing crisis

Paul Kershaw

It isn't surprising that the Con-Dems fear that housing is becoming a toxic issue. New housing proposals, announced on 21 November, are woefully inadequate. They come nowhere near reversing earlier cuts to a budget that was already delivering historically low amounts of new housing.

The first Con-Dem budget announced cuts to spending on housing and proposals to undermine the security of social housing tenants that will effectively end social housing in Britain if they aren't stopped.

Shelter expects 35,000 people to be turfed out of their homes between November and Christmas. Homelessness is rising and overcrowding is rocketing as people are stuck in expensive and insecure privately rented housing.

Tory minister, Ian Duncan Smith claimed that cutting housing benefits would lower rents but they have continued to rise; even Church of England bishops have voiced alarm. IDS originally claimed no one would be made homeless but leaked government memos show they think 40,000 could be homeless simply as a result of the first round of benefit changes.

The new package includes support for speculative builders and government-backed guarantees for people taking out mortgages.

But this proposal can only help small numbers and does not measure up to the task of boosting the supply of truly affordable homes.

The government also wants to boost subsidised 'right to buy' saying it will replace homes sold off with new affordable homes. But read the small print: they don't mean council houses, they mean homes rented at up to 80% of market rent.



photo Paul Mattsson

On 30 November public sector workers will be taking action to defend their pensions; the Con-Dems want them to pay for the capitalist crisis. Housing is another aspect of the same crisis but people facing eviction or stuck in substandard housing can feel isolated. Unions can give voice to the housing agony faced by working class people and increasingly wide sections of the population by taking up a fighting programme.

Eye-watering amounts have been spent bailing out the banks. These banks should no longer be run for executive pay and bonuses but should be nationalised and run for social need, giving low interest loans for house building for example.

There is a burning need to build new cheap, secure council housing and bring existing housing up to scratch. This would create thousands of much-needed jobs. The benefit cuts should be reversed, rents should be capped, and proper secure tenancies should be re-introduced to the private rented sector.

Massive job cuts undermining NHS

Hardly a day passes without another revelation about devastating cuts undermining the National Health Service (NHS). The latest figures are provided by the Royal College of Nursing (RCN) which says 56,000 jobs have been axed in the last two years as part of the government's drive to achieve £20-£30 billion of 'efficiency savings'. Some health trusts are cutting up to a quarter of their workforce.

The government, predictably, refused to recognise these figures dismissing them as "typical trade union scaremongering," and instead claimed that only 500 nursing posts have been lost since May 2009. However, in February 2011 one NHS Trust alone, Kingston Hospital, announced cuts of 486 posts, including 214 nurses and 20 medical staff - 20% of the total workforce.

On top of these job losses, the RCN reported posts as being reclassified by NHS trusts to save money, where staff can be expected to perform the same work but for less pay. Government health minister Andrew Lansley couldn't even bother to deny this, claiming he 'wasn't

aware' of any downgrading of workers' jobs in the NHS.

These 'efficiency savings' are only part of the picture. Other measures undermining the public health service are the mega-expensive private finance initiative schemes, which have put 22 health trusts in jeopardy of becoming bankrupt, and the move to foundation trust hospitals, which will increase 'competition' between hospitals for resources and lead to more cuts and closures.

As damning an indictment of the Con-Dems' pro-big business, privatisation agenda as these job losses are, Labour has little to crow about as the 'efficiency savings', PFI schemes and foundation trusts were initiated by previous Labour governments.

●A leaked NHS report spells out how private companies will direct the commissioning of patient services when 80% of the health budget is transferred to GP consortia under the governments Health and Social Care Bill. A clear admission that the Con-Dems intend to privatise the NHS.

Them & Us

Rock bottom

Northern Rock, the failed bank rescued by the previous Labour government, has been sold off on the cheap to Virgin Money by the Con-Dems.



The government will receive £747 million from the sale of Northern Rock despite £1.4 billion of public funds injected into it since 2007. In other words the government has lost up to £650 million in this deal. Northern Rock was the first UK casualty of the global financial meltdown and was nationalised in February 2008 to prevent its collapse. However, instead of being run democratically in the interest of ordinary people, the bank was split between one with 'good assets' - now sold off to Virgin - and another part holding the 'toxic assets'. The latter still owes the Treasury up to £21 billion! Tory chancellor George Osborne described the sale as "value for money". During its 'reorganisation' the government owned Northern Rock shed 3,000 jobs. Virgin Money says that it won't compulsorily sack any more workers 'for three years' but did not rule out 'natural wastage' job cuts.

St Paul's Occupation defies City Corporation

Despite legal threats from the City of London Corporation, the mood at Occupy London, outside St Paul's cathedral, remains defiant. The direct response of occupiers to potentially lengthy legal proceedings and eviction has been to expand the occupation. Campaigners have taken over a huge abandoned office block owned by investment bank UBS. Renamed the 'Bank of Ideas', the building will be opened up to groups who have lost their community centres and youth clubs in the government's savage spending cuts. This is only one of many empty properties in the City and raises the possibility of more widespread action as banks begin to repossess thousands of people's homes. Plus, many occupiers welcome the prospect of moving indoors if it starts to snow this winter!

The UBS building has also been opened up to unions on strike on 30 November. A conference and rally at the weekend brought together representatives of occupations across Britain and Ireland and fully backed the public sector strikes. Speakers from the trade union movement also pledged support to the occupation movement.

Duncan Money

Government benefits

As the Socialist warned last week, the government has now decided to end the uprating of benefits in line with inflation (5.2% in September). Instead, ministers will use a lower inflation rate (4.5%), saving the Con-Dem government £1 billion. As a result, millions of disabled and unemployed people and their dependents will now lose hundreds of pounds a year. This savage cut is on top of other reductions in benefits in the past 18 months, including those benefits relating to housing costs. The move is a cynical exercise by the government to cancel the proposed 3p a litre rise in fuel duty expected in January by getting the poorest and most vulnerable to make up the shortfall in government revenues - a classic case of robbing Peter to pay Paul.



Education: profits, profits, profits!

A letter released to the Stock Exchange last week from Wey Education plc, a company headed by Zenna Atkins, ex-chair of Ofsted, speaks volumes for the government's education privatisation agenda. "Wey is responding to the English market opportunity brought about by the transfer of state-run schools to independent charitable entities and the deconstruction of the education function within local authorities. Within the £53 billion English education system, the standards achieved by pupils and the rounded quality of the education they receive need to be significantly improved. Additionally the evidential efficiencies that can

be made in the operation of schools combine to make a clear opportunity to make a substantial return to investors and improve education in the UK."

Fuelling anger

I have just received my winter fuel allowance which has been cut by £50! For the past three years the over 60s have been getting £250 and over 80s £400. I am now getting £200 and the over 80s will be getting £300 - a £100 cut! I can only afford to put my heating on in the evening and with prices going up all the time even that is becoming a luxury.



I live in Maesteg, an ex-mining town in South Wales and all my pensioner friends are in the same situation, freezing in their own homes because we can't afford to keep warm. Age Concern Cymru has estimated that 12 pensioners a day will die in Wales because of cold homes and yet this government still cuts our winter fuel allowance.

As a 74 year old member of the Socialist Party I still put some change aside in my money jar every week so I can help our party get rid of a system that in the 21st century is legally murdering old people every winter.

Vi John
Socialist Party Wales

Fat Cat pay rockets

A year long inquiry into boardroom pay by the High Pay Commission think tank has revealed that the pay of top executives at a number of FTSE companies had risen by more than 4,000% on average in the last 30 years. The report cites Barclays boss John Varley's pay of £4,365,636, which is 169 times more than the average worker in Britain today - a 4,899.4% increase since 1980. This hike in fat cat salaries is in stark contrast to the shrinking pay packets of many workers, suffering a third year of pay freezes and soaring prices for heating, housing, transport and food.

What We Heard...

"Our whole lives are in this bag"

While selling the Socialist I met a young homeless couple. Their dedication to one another was endearing but their desperate plight was heartbreaking.

The girl was Asian, estranged from her family for being in a mixed relationship. He had been brought up in care; they had no family. They said they couldn't save up enough money for a deposit to rent a flat (in London that's over £1,000). They said they couldn't get work because they didn't have an address and they had waited for days at the local housing office only to be turned away.

The boy pointed to the bag he was carrying: "Our whole lives are in this bag".

After talking to them I can imagine the symbolic tents of the 'occupy' movement to becoming actual tent cities if we don't stop these attacks.

The smashing of the public sector is the removal of the safety net for workers. 30 November represents

crucial steps of the organised working class moving to defend it.

Nancy Taaffe, Waltham Forest

Get organised

Unite union members were out in force in Greenwich on Saturday campaigning against the cuts.

One of the highlights of the day was when a local shop worker came out from a major department store and asked how long we would be outside the shop. Initially I thought that we were going to be asked to move on.

She in fact wanted application forms so that she and her friends could all join the union. She had heard, from her grandmother, about what a great union branch we have and wanted to get organised.

Kaz, Greenwich Unite