

Job Seekers' Allowance

Anarchist Federation

1995

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Job Seekers Allowance (JSA) was due to start in April '96 but the computer system and staff training problems have put that back to October 1996 although some measures will be enacted in April 1996. It is a complete overhaul of the benefit system. One reason for it claims that by simplifying the two-benefit system (Unemployment Benefit(UB) and Income Support(IS)) will save a lot of money – i.e. they can make 10,000 workers redundant.. The new rules will also cut the benefit for a large number of people. It has been estimated that 250,000 will lose benefit with 70,000 loosing all benefit.

Money

Income Support and Unemployment Benefit have basically been scraped – there will be Contributory JSA and means – tested JSA. This is more than just a name change

Contributory JSA

you are only entitled to 6 months rather than one year. for people under 25 who have paid enough National Insurance will still not be able to claim contributory JSA but will get the reduced payment made to under 25's on income support at the moment. abolish Adult Dependant Allowance

Means Tested JSA

Savings and redundancy over £3000 will be taken into account and benefit reduced accordingly – no benefit is paid over £8000 savings.

The waiting period will be increased from 3 days to two weeks unless you have been recently or claiming Income Support or Incapacity benefit.

Occupational/personal pensions – the pension threshold before it is deducted from benefit is increased from £35 to £50 “in recognition of the efforts of those who have been providing for their own retirement”. However the 55 age limit has been removed so the government hopes to save £10 million.

You are now allowed to earn some money (the disregard ceiling) without it effecting your benefit immediately – you do not have to be unemployed for 2 years – but the amount has been decreased from £15 to £10 a week for couples. Single claimants can still earn £5 per week. Back To Work Bonus. Yes the state will pay you to earn money. At present if you take part time work and earn more than £5 a week then your earnings (above £5 a week) is deduced pound for pound from your benefit – i.e. you can never really get more than £5 a week. This remains the same under JSA but if you move to full time work you get half of the money they took off your benefit given back to you as a Back to Work Bonus. e.g. if you are doing part time work for £25 a week then £20 will be deducted from your JSA – £5 being disregarded. If after say 10 weeks you get full time work then you will get a cash payment of £100 i.e. £10 (half the money they nicked off your JSA) for 10 weeks. There is a limited of £1000.

The Heavy Stuff

The JSA staff will be forced to become much more aggressive when you sign on. You will have to sign the Jobseeker's Agreement and complete a Jobsearch Plan before they receive any money. In a draft Jobseekers Agreement you had to specify

- what you will do to find work or increase your chances of finding work
- the hour you can work
- the type of job you will do

Each time you attend the office they can ask you

- what have you done to find work
- how can we help?
- or they can change your agreement – if you refuse “allowances may be effected”.

Part of the agreement looks as if it will contain questions such as .. “to identify and apply for suitable jobs I will”

- Write to __ employers every week
- Telephone __ employers every week
- Visit __ employers every week
- Contact the Jobcentre __ times a week
- Ask family, friends and people I have worked with before.
- Look in these newspapers and trade papers
- Register with the following employment agencies and contact them __ times a week

If they think that you are not trying hard enough they can change your “agreement” – if you do not like this new agreement they can call in the Adjudication Officer. As the full effects come into force more decisions will have to be taken by ‘front-line’ staff. This will lead to even more than the 40% error rate, according to the Chief Adjudication officer, at present.

No benefit will be paid to you if you do not attend the meeting. If they then feel that you are not trying or you refuse any work which you “can reasonably be expected to do” then they can impose sanctions.

The Jobseekers Direction which will “enable advisers to direct jobseekers to improve their employability through, for example, attending a course to improve jobseeking skills or motivation, or taking steps to present themselves acceptably to employers”. If you refuse to do so your benefit will be sanctioned. At present sanctioned people have their IS reduced but “there will be no automatic payment of JSA to people who have been sanctioned”. Hardship fund will not be given to most people in the first two weeks so for many they will have to live two weeks without any income. Despite having no income you will have to prove that you are “suffering hardship” even after the first two weeks before hardship payments are made.

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Retrieved on May 13, 2013 from web.archive.org
Published in *Organise!* Issue 40: Special Issue on Work – Autumn 1995.

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