

CONFIDENTIAL



10 DOWNING STREET

Manpower  
B/c A. Smith

From the Private Secretary

16 November 1982

Unemployment

I wrote to you on 15 October 1982 about the Government's policies for dealing with unemployment. In this connection you might find it useful to have to hand some details which we have here of Workfare Schemes in Jersey and USA. I therefore enclose:-

- a. papers relating to the Jersey scheme;
- b. a note prepared here on Workfare and Washington telegram number 3189.

I am copying this letter and enclosures to Barnaby Shaw (Department of Employment) and John Kerr (HM Treasury).

M. C. SCHOLAR

David Clark Esq  
Department of Health and Social Security.

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STATES OF  
JERSEY

Special Employment Scheme for the Winter of 1981/82 -  
Statement.

The Vice-President of the Public Works Committee made  
a Statement in the following terms -

"The States will recall that, for the winter of  
1980/81, the Public Works Committee was asked by the  
Policy Advisory Committee to create and manage a  
Special Employment Scheme for unemployed persons.

During the summer of this year, the Committee  
was once more asked to produce a scheme for the  
winter of 1981/82 in case the unemployment situation  
was such as to require such a scheme for that period.

The number of persons out of work during the  
summer of 1981 has remained comparatively high and it  
is anticipated that the number of unemployed during  
the forthcoming winter will be greater than last year.  
Accordingly, the Committee has, with the co-operation  
of various other States' departments, produced a  
scheme similar to 1980/81 and it is anticipated that it  
will come into operation on 2nd November, 1981.

STATES MINUTES

27th October, 1981.

On 29th September, 1981, the States granted to  
the Finance and Economics Committee an amount of  
£90,000 to cover the cost of the last two months of this  
year and the Committee has established that it is  
possible initially to employ approximately 120 persons  
on work which would not be otherwise undertaken or  
placed with a contractor. The Committee will keep the  
situation under review and will endeavour to introduce  
further work projects to absorb increases in the level of  
unemployment.

The intention is to offer employment for a period  
of eight weeks on the basis of a 40 hour week at the  
rate of £1.65 per hour or £66.00 per week less Social  
Security Contributions and that the total period  
covered by the scheme should be from 2nd November,  
1981 to 31st March, 1982.

The Connétables of the Island with the co-  
operation of the Job Centre will select those persons  
residing in their Parishes, who are to be employed on  
the scheme. It has been agreed that the Parishes will  
repay to the States the full Welfare Benefits due to  
natives up to a maximum of £66.00 per week and that  
the cost of non-natives should be a direct charge on the  
Treasury.

The Committee is hopeful that, in addition to  
providing work to unemployed persons, the scheme will  
result this year in the provision of additional features  
which will be of considerable benefit to the Public in  
general and one of the plans which the Committee has  
approved falls into this category in that it provides  
additional cliff walks which will mean on completion  
that the Island has twelve miles of such walks as  
compared with the present five. The Stapleton land at  
St. Brelade will be opened up as an informal recreation  
area for the public to enjoy; the development of  
protection for the Les Landes Common will be  
completed and other States' departments will be  
offered the necessary labour to undertake minor  
internal and external improvements for which provision  
had not been made in their budgets."

JERSEY:

# PUBLIC WORKS jobs scheme

PUBLIC WORKS president Deputy Don Filleul (St Helier No. 1) announced plans for the 1982/83 winter jobs scheme.

He told the House:—

"The States will recall that, for the winters of 1980/81 and 1981/82, the Public Works Committee was asked to create and manage a special employment scheme for unemployed persons.

"Towards the end of the summer, joint discussions took place between the committee, the Social Security Committee and Policy Advisory Committee, which resulted in an agreement that a similar scheme should be prepared for the winter of 1982/83, and more recently, discussions between the committee, the Policy Advisory, the Social Security and the Finance and Economics Committees and the Supervisory Committee of Constables has finalized such a scheme which is broadly on similar lines to previous years.

"At the end of September, 1982, the unemployment situation was encouraging in that the number of persons out of work was significantly lower than in 1981 at the same time, but by the middle of October, 1982, the number had increased by some 200, giving a total of slightly less than 500. On this basis, the committee considers that there is a need for a special employment scheme for the forthcoming win-

ter and therefore proposes to bring it into operation on Monday, November 1 1982.

"There is remaining from the funds allocated for this purpose for 1982 an amount of approximately £80,000, and the Finance and Economics Committee has included within its estimates of revenue, expenditure and income for 1983 the sum of £125,000.

"It is anticipated that, initially, employment for the first eight-week period could be offered to approximately 100 persons to carry out work which would not otherwise be undertaken or placed with others, and the committee intends to keep the situation under review so as to endeavour to introduce other work projects if the level of unemployment reaches proportions that it is considered desirable to employ greater numbers.

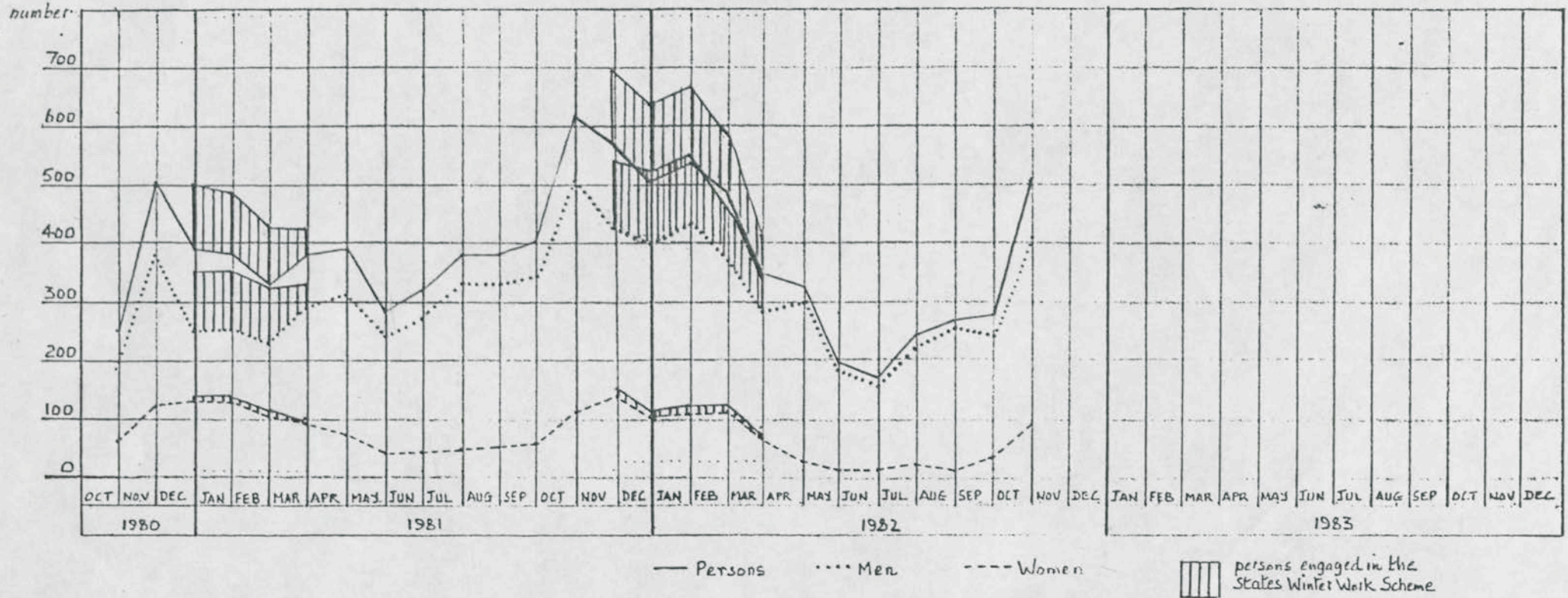
"The intention is, as in the last year's scheme, to offer employment for a period of eight weeks on the basis of a 40-hour week at the rate of £1.90 per hour of £76 per week, less Social Security contributions, and that the total period covered by the scheme should be from November 1, 1982, to approximately March 31, 1983.

"The Job Centre of the Social Security Department will select persons for employment under the scheme, and will submit to the Constables of the Island lists of those persons residing in their parishes, so that the Constables may signify those persons in respect of whom they would pay to the States the full welfare benefit due to a person participating in the scheme. It has been agreed that, where a Constable would not normally grant benefit to a native, the person concerned should be allowed to participate in the work scheme on the bases that his costs would be paid for out of central funds and not recovered from the Constable concerned. Although the intention is to provide work for eight-week periods, it may be necessary to employ a small number of persons capable of performing chargehand duties, in which event it would be intended that these persons should be appointed for the whole of the time that the scheme is operational.

Deputy Filleul added: "If the number of people requiring employment goes above a certain figure, we are going to be short of work. If any organization has work that would qualify for the scheme — that is work that would not otherwise be done and would be an amenity benefit — my department would be glad

MONTHLY UNEMPLOYMENT FIGURES - JERSEY

(i) TOTAL UNEMPLOYED



Source: Monthly Employment Statistics, Social Security Department, Jersey

REPORT OF THE POLICY ADVISORY COMMITTEE ON THE  
PROPOSITION OF DEPUTY N.S. LE BROcq ON  
UNEMPLOYMENT BENEFIT.

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*Presented to the States on 9th December, 1980.*

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**STATES OF JERSEY**

STATES GREFFE

175

1980

P-155

*Price : 35p.*

## REPORT

1. The Policy Advisory Committee had referred to it by the States on 4th November the Proposition lodged by Deputy Norman Le Brocq which asks the States to decide whether they are of the opinion "to instruct the Social Security Committee to prepare legislation for the payment of unemployment benefit, such benefit to be limited to unemployed persons with at least three years Jersey residence, and such other qualifications as the Committee considers necessary".

2. The Policy Advisory Committee in preparing this report on Deputy Le Brocq's Proposition first considered, and agreed, the following general points—

- (i) that the economic conditions prevailing at the present time cannot be expected to improve in the near future and the number of persons out of work may further increase in the months ahead;
- (ii) that the prime objective should be to get persons unfortunate enough to lose their jobs back into employment as soon as possible;
- (iii) that the community has a responsibility to assist persons who are in need, and who are unemployed through no fault of their own;
- (iv) that the personal circumstances of each of those made unemployed cannot be identical and a system of aid which is capable of taking into account those variations is to be preferred to one that does not. (Analysis of the present number unemployed is provided by the statistics attached to this report).

3. The Policy Advisory Committee then gave consideration to the present system of welfare provided by the Parishes and to whether it is necessary to improve that system. The Committee concluded that any new system of assistance for the unemployed should only be contemplated if it could be clearly shown to be superior to the present system, adapted and improved where found necessary, in meeting the needs of the unemployed.

4. The Committee believes two main points can be made in favour of maintaining the present system of welfare—

- (i) the system has worked well over a long period of time. It is an arrangement that is well suited to a small Island community where personal, informed, attention can be given to individual circumstances in a way not possible in larger communities such as the United Kingdom. The system of Parish welfare is now well documented in a booklet produced with the assistance of the Working Party on Need, and the contents of that booklet and the current rates of benefit are attached to this report.
- (ii) In the United Kingdom, where those who have made the appropriate payment of contributions can receive unemployment benefit as a right subject to certain conditions, and limitations of period of payment, it has been shown that the level of benefit that is made available is often not sufficient in itself to meet need. In fact, the majority of those in receipt of such benefit find it necessary to obtain additional assistance from the Supplementary Benefits Commission, where the process of application and review is essentially similar to that undertaken by the Parishes at the present time.

NOTE: The standard rate of unemployment benefit in the United Kingdom at the present time is as follows—

Single person	£20.65
Married couple	£33.40

The Parish welfare rate of benefit as from 1st October, 1980, is as follows—

Single person (excluding allowance for rent)	£29.60
Married couple (excluding allowance for rent)	£49.40

There is little doubt that the adoption of an unemployment benefit scheme on the U.K. model would leave a continuing role for the Parishes in providing supplementary benefits.

5. The Committee is firmly of the opinion that the present welfare system is capable of coping with the needs of the unemployed, and should continue. However, through its

investigations, the Committee has identified certain areas where the present system could be improved, and the following revised procedure has been agreed with the Connétables Committee.

- (a) For those genuinely unemployed, for the first week's unemployment without full pay and for so long as it takes for investigations to be undertaken into their individual circumstances, the welfare payment will be the scale rate of benefit plus full rent allowance, where applicable, providing the total payment does not exceed the amount normally earned;
- (b) the Parishes will continue to obtain from the Social Security Department Job Centre confirmation that the person has registered with the Job Centre and is actively seeking work;
- (c) for those confirmed as genuinely unemployed, the payment of welfare benefit for a period of four weeks in any twelve months will be made on the basis of the welfare booklet, with the exception that no regard will be taken of whether or not the unemployed person owns the property in which he lives, or of other capital resources, but in assessing other sources of income the interest on capital will be taken into account;
- (d) particular regard is to be had for the position of those unemployed who have young children to support, whose current family allowance payments may reflect a previous period of higher earnings. In these cases, the welfare payment for dependent children will be made, where appropriate, according to the supplementary scales previously agreed between the Connétables and the Working Party on Need;
- (e) where long term unemployment exists, the rules set out in the Welfare Booklet will generally apply with the level of benefit to be received adjusted according to the individual's circumstances.

6. It is recognised that in the implementation of the Parish welfare system, where one of the main advantages of the scheme is the opportunity to have regard to personal circumstances, there may be occasions where individuals believe that their case has not been fairly heard or they have not been fairly treated. The Committee believes this difficulty can be overcome through the institution of a formal appeal procedure. It is therefore proposed with the agreement of the Connétables that



there should be a formal appeal procedure to meet such situations should they arise, as follows—

- (i) any person wishing to appeal against the decision of his or her Connétable should personally, or with the aid of a States member, appeal directly to the Greffier of the States;
- (ii) the Greffier of the States in consultation with the Chairman of the Committee of Connétables will convene an appeals body of three independent Connétables to hear the case of the aggrieved applicant. The Connétable of the Parish concerned will, of course, be able to be present and heard at the appeal.

7. The Committee is confident that with the changes proposed the present Parish welfare system can meet the financial needs of those who are made unemployed through no fault of their own, and that there is no call for the adoption of a new approach as suggested in Deputy Le Brocq's proposition.

8. In conclusion, the Committee would re-emphasise that in its view the best way of offering help to the unemployed is to try and get them back into employment. In this context, the Committee has asked the Public Works Committee to give urgent consideration to a programme of relief work for the winter months.

9. The Committee therefore recommends that the States reject the Proposition of Deputy Le Brocq.

### SOCIAL SECURITY DEPARTMENT – JOBCENTRE

Analysis of Persons Registered as Unemployed by Age, Sex and Duration for Month Of NOVEMBER 1980.

No. of Weeks Unemployed.		Age 18			Age 19-24			Age 25-29			Age 30-34			Age 35-39			Age 40-44			Age 45-49			Age 50-54			Age 55-59			Age 60-65		
		a	b	c	a	b	c	a	b	c	a	b	c	a	b	c	a	b	c	a	b	c	a	b	c	a	b	c	a	b	c
One or less	M	2	-	-	8	2	-	2	5	-	6	6	-	3	3	-	2	-	-	4	1	-	1	1	-	1	-	-	2	-	-
	F	3	-	-	6	6	-	5	1	-	-	-	-	-	-	-	1	-	-	1	-	-	-	-	-	-	-	-	-	-	-
Over 1 and up to 4	M	15	1	-	45	4	1	22	11	-	18	5	-	15	1	-	15	4	-	16	-	-	11	2	-	14	-	-	10	-	-
	F	6	-	-	19	14	-	6	9	-	3	1	1	5	-	-	4	1	-	2	-	-	2	1	-	4	-	-	1	-	-
Over 4 and up to 8	M	4	-	-	32	3	-	10	2	-	7	1	-	9	1	-	6	1	-	5	1	-	3	-	-	3	1	-	4	-	-
	F	3	-	-	7	1	-	-	-	-	2	-	-	-	-	-	1	-	-	2	1	-	-	-	-	-	-	-	-	-	-
Over 8 and up to 13	M	2	-	-	3	-	-	2	-	-	2	-	-	-	-	-	-	-	-	2	-	-	1	-	-	-	-	-	1	-	-
	F	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Over 13 and up to 26	M	2	-	-	3	-	-	3	-	-	1	-	-	3	-	-	-	-	-	-	-	-	2	-	-	1	-	-	1	-	-
	F	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	1	-	-	-	-	-
Over 26 and up to 39	M	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	F	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Over 39 and up to 52	M	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	F	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Over 52 Weeks	M	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	F	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes: a denotes persons who have been on the Island for ten years or more.  
 b denotes persons who have been on the Island for less than ten years but more than six months.  
 c denotes persons who have been on the Island for less than 6 months.

## WHAT A WELFARE GRANT IS

The purpose of a Welfare Grant is to provide income for people who are not in full-time work and whose income (if any) from Social Security Benefits or other sources, is not enough to meet their requirements. The Grant does not depend on the payment of contributions.

It is paid either to people who were born locally or who have resided in the Island for at least 5 consecutive years and who can satisfy the relevant conditions.

Subject to the residence conditions mentioned above, a Welfare Grant may also be paid to people who are unemployed, provided that they have first registered at the Job Centre of the Social Security Department as persons genuinely seeking employment and for whom employment cannot be found.

## HOW TO APPLY FOR A WELFARE GRANT

If you reside in St. Helier simply complete the form attached to this leaflet and send it to the St. Helier Welfare Department, 12, Seale Street.

If you are unemployed personal application must be made.

If you require money urgently, there is a space on the application form for you to say so; if you require money very urgently you can of course call at the Welfare Office.

It must be stressed that the above procedure applies only to residents of St. Helier. Should you live elsewhere application must be made to the Constable of the Parish in which you live.

## HOW YOUR APPLICATION IS DEALT WITH

If you reside in St. Helier -- unless you have stated that you require money urgently you will be visited as soon as possible after your application is received. Someone from the Welfare Office will call on you within a few days of receiving your application form to obtain information from you about your circumstances.

These details are needed to work out how much your Welfare Grant will be. All the information you are asked to give is always treated as

strictly confidential and may not be disclosed without your permission.

If you are applying for a Welfare Grant, you may be interviewed at the Welfare Office, instead of at home, if you wish. If you prefer to go to the Welfare Office, put an 'X' in the box on the attached application form; an appointment will be made for you to be interviewed but do not put an 'X' in the box if you would rather be interviewed at home.

If you live in a Parish other than St. Helier – your application will be dealt with by the officials of that Parish. In all cases information will be sought from you about your circumstances so that your Welfare Grant can be worked out. As in St. Helier, you may be interviewed either at your own home or at the Parish Offices, whichever you prefer.

### **HOW YOU ARE PAID**

If you reside in St. Helier – payments are made weekly at the Welfare Office, 12 Seale Street.

By being interviewed at your home and naming an agent to collect on your behalf, it is quite unnecessary, at any time, to call at the office if you do not wish or are unable to do so.

If you live in a Parish other than St. Helier – the arrangements for payment may vary, but in general, you may either collect your Grant from the Parish Offices or the grant can be made to you at your own home.

### **IF YOU ARE UNDECIDED WHETHER TO APPLY**

If you would like to talk things over before deciding whether to apply please get in touch with the Welfare Office in St. Helier (if you reside in that Parish) or the Constable of your Parish so that an appointment can be made for someone to see you, either at home or at the Parish Office, whichever you prefer.

### **HOW YOUR WELFARE GRANT IS WORKED OUT**

The amount of Welfare Grant payable is worked out by assessing a person's requirements and resources on the basis of weekly "scale rates" of benefit and provisions for the treatment of income as decided each year;

The weekly Grant payable is normally the amount by which a person's requirements exceed his resources.

The requirements and resources of a married couple in the same household and those of young dependant children living with them, are counted together and treated as the husband's.

A couple who, although not married, are living together as man and wife are normally treated as if they were married.

### RATES OF WELFARE BENEFITS

The weekly amounts provided for normal requirements that is for day-to-day living expenses are set out on the loose leaf included in this booklet.

In the case of single householders and married couples, a rent allowance will also be paid.

You would receive less than the full amount of the rent actually paid in any of the following circumstances;

- (a) If you are sub-letting;
- (b) If you have someone in your household who is not dependant on you, i.e. an adult son. Such a person will usually be expected to meet his proportionate share of the rent;
- (c) If your rent is considered to be unreasonably high.

### CALCULATION OF RESOURCES

Income – in working out your resources for a Welfare Grant, incomes are treated as follows. Your own and your wife's resources are counted together.

- (a) Old Age and Widow's Pensions and most other Social Security Benefits paid by any country are counted in full as weekly income. Family Allowances and Attendance Allowances paid by the Social Security Department are completely disregarded.
- (b) Maintenance Payments, whether voluntary or under Court Orders, are counted in full as weekly income.

- (c) Earnings – a proportion of any part-time earnings you may have may be counted.
- (d) Savings – you will be entitled to a full Welfare Grant only if your savings or assets do not exceed a certain amount. That amount and the extent to which the grant may be gradually reduced where savings exceed this figure are shown on the loose leaf insertion included in this booklet.

### RESTRICTED GRANTS

Your Welfare Grant may be restricted below the amount assessed in the way described above if your income while you are unemployed or temporarily off work would otherwise be more than you would normally earn in your usual occupation.

### OTHER BENEFITS

Health Benefits – persons of limited means who are not in regular employment may be eligible to receive medical services of general practitioners and medicines, without charge, through the health scheme operated by the Social Security Department. Applications should be made to that department. Persons of limited means can also receive free contraception through the Family Planning Clinic. Parishes may give further help where a need is not met by the health scheme. For example, supplementary medical and pharmaceutical welfare grants to persons in regular employment; or in relation to items and services not included in the scheme such as spectacles, dentistry, chiropody and appliances, etc.

Welfare Grants are set at a level to provide for normal requirements. Supplementary payments may also be made, on application, towards meeting certain special needs (eg. laundry and special diets). Fuel allowances of varying amounts are also paid by Parishes in cases of need.

## WELFARE GRANTS

## Weekly Rates of Welfare Benefits effective from 1st October, 1980.

For a Single Householder (excluding allowance for rent) .....	29.60
For a Married Couple (excluding allowance for rent) .....	49.40
For a Dependent Relative or someone living in another person's household .....	26.70
Age 18-20 years .....	12.40
16-17 years .....	10.40
11-15 years .....	2.50
5-10 years .....	2.00
Under 5 years .....	1.70

Where persons receiving Welfare Benefits are in employment, a proportion of their earnings, up to a maximum of £12 weekly, is disregarded when assessing welfare grants. The scale followed is -

<i>Amount of Weekly earnings</i>	<i>Proportion of earnings disregarded when assessing amount of welfare grant</i>
	£.
£40 and over	12.00
£35 to £40	11.00
£30 and under £35	10.00
£25 and under £30	10.00
£20 and under £25	9.00
£15 and under £20	8.00
£10 and under £15	7.00
£5 and under £10	5.00
Under £5	4.00

## Adjustments to Welfare Grants in Respect of Personal Savings.

You will be entitled to a full Welfare Grant only if your savings or assets do not exceed £1,800 for a single person (£3,000 for a married couple). Where savings exceed this amount the grant may be gradually reduced according to the following scale-

*Scale for a single person*

<i>Amount of Capital</i>	<i>Assumed Weekly Income</i>
£	£
1800-1825	2.50
1825-1850	2.62½
1850-1875	2.75
1875-1900	2.87½

thereafter 12½p for each extra £25.

## WHAT A WELFARE GRANT IS

The purpose of a Welfare Grant is to provide income for people who are not in full-time work and whose income (if any) from Social Security Benefits or other sources, is not enough to meet their requirements. The Grant does not depend on the payment of contributions.

## 2. WHO CAN QUALIFY

You can qualify for a welfare grant if you are over 18 years of age, were born locally or have resided in the Island for at least five consecutive years and can satisfy the relevant conditions. Application for benefit payments may be made by those under 18 years of age but wherever possible applications in respect of such persons should be made by the parent or guardian to whom payment will be made.

Subject to the residence conditions mentioned above, a Welfare Grant may also be paid to people who are unemployed, provided that they have first registered at the Job Centre of the Social Security Department as persons genuinely seeking employment and for whom employment cannot be found. Further particulars can be found in Part 11 on Page 6.

## 3. HOW TO APPLY FOR A WELFARE GRANT

If you reside in St. Helier simply complete the loose leaf application form inserted in this booklet and send it to the St. Helier Welfare Department, 12 Seale Street.

If you are unemployed personal application must be made.

If you require money urgently, there is a space on the application form for you to say so. If you require money very urgently you can of course call at the Welfare Office.

It must be stressed that the above procedure applies only to residents of St. Helier. Should you live elsewhere application must be made at the Parish Hall to the Constable of the Parish in which you live. Detailed information concerning the different Parishes can be found in Part 14 on Page 7.



#### 4. HOW YOUR APPLICATION IS DEALT WITH

If you reside in St. Helier, unless you have stated that you require money urgently, you will be visited as soon as possible after your application is received. Someone from the Welfare Office will call on you within a few days of receiving your application form to obtain information from you about your circumstances.

These details are needed to work out how much your Welfare Grant will be. All the information you are asked to give is always treated as strictly confidential and may not be disclosed without your permission.

If you are applying for a Welfare Grant you may, if you prefer, be interviewed at the Welfare Office instead of at home. If you prefer to go to the Welfare Office, put an 'X' on the attached application form. An appointment will then be made for you to be interviewed but do not put an 'X' in the box if you would rather be interviewed at home.

If you live in a Parish other than St. Helier your application will be dealt with by the officials of that Parish. In all cases information will be sought from you about your circumstances so that your Welfare Grant can be worked out. As in St. Helier, you may be interviewed either at your own home or at the Parish Offices.

#### 5. HOW YOU ARE PAID

If you reside in St. Helier payments are made in cash at the Welfare Office, 12 Seale Street.

By being interviewed at your home and naming an agent to collect on your behalf, it is quite unnecessary, at any time, to call at the office if you do not wish or are unable to do so.

If you live in a Parish other than St. Helier the arrangements for payment may vary but in general you may either collect your grant from the Parish Offices or the grant may be made to you at your own home.

#### 6. IF YOU ARE UNDECIDED WHETHER TO APPLY

If you would like to talk things over before deciding whether to apply please get in touch with the Welfare Office in St. Helier (if you reside in that Parish) or the Constable of your Parish so that an appointment can be made for someone to see you, either at home or at the Parish Office.

## 7. HOW YOUR WELFARE GRANT IS WORKED OUT

The amount of Welfare Grant payable is worked out by assessing a person's requirements and resources on the basis of weekly "scale rates" of benefit and provisions for the treatment of income as decided each year.

The weekly Grant payable is normally the amount by which a person's requirements exceed his resources.

The requirements and resources of a married couple in the same household and those of young dependent children living with them, are counted together and treated as the husband's.

A couple who, although not married, are living together as man and wife are normally treated as if they were married.

## 8. RATES OF WELFARE BENEFITS

The weekly amounts provide for normal requirements, that is for day-to-day living expenses, are regularly reviewed and are set out on the loose leaf included in this booklet.

In the case of single householders and married couples, an allowance for rent where appropriate, will also be paid.

You will receive less than the full amount of the rent actually paid in any of the following circumstances;

- (a) If you are sub-letting;
- (b) If you have someone in your household who is not dependent on you, i.e. an adult son. Such a person will usually be expected to meet his proportionate share of the rent;
- (c) If your rent is considered to be unreasonably high.

## 9. CALCULATION OF RESOURCES

In working out your resources for a Welfare Grant, incomes are treated as follows. Your own and your wife's resources are counted together.

- (a) Old Age and Widow's Pensions and most other Social Security benefits, including family Allowances, paid by any country are counted in full as weekly income. The first £4 of Disablement Allowances paid by the Social Security Department are disregarded and Attendance Allowances are completely disregarded.

- (b) Maintenance Payments, whether voluntary or under Court Orders, are counted in full as weekly income.
- (c) Earnings – a proportion of any part-time earnings you may have will be counted. A scale setting out the proportion of earnings to be disregarded is included on the loose leaf in this booklet.
- (d) The first £2 of a pension from a previous employer is disregarded.
- (e) Savings – you will be entitled to a full Welfare Grant only if your savings or assets do not exceed a certain amount. That amount and the extent to which the grant may be gradually reduced where savings exceed this figure are shown on the loose leaf insertion included in this booklet.
- (f) Grants from charitable organisations are usually disregarded.

## 10. RESTRICTED GRANTS

Your Welfare Grant may be restricted below the amount assessed in the way described above if your income while you are unemployed or temporarily off work would otherwise be more than you would normally earn in your usual occupation.

## 11. IF YOU ARE UNEMPLOYED

Those confirmed as genuinely unemployed will receive the full welfare grant for a period of four weeks in any twelve months providing they register at least weekly at the Social Security Department Job Centre and, for these persons, no regard will be taken of whether or not they own the property in which they live. Where long term unemployment exists the rules set out in this booklet will generally apply with the level of benefit adjusted according to the individual's circumstances. You may not qualify for a Welfare Grant if you are unemployed for any of the following reasons:—

- (a) Left previous employment of own accord.
- (b) Dismissed from previous employment on the grounds of misconduct.
- (c) Failed to take up suitable employment that has been offered.

## 12. OTHER BENEFITS

Persons of limited means who satisfy certain conditions may be eligible to receive medical services of general practitioners and medicines, without charge, through the health scheme operated by the Social Security Department and where a need is not met by the health scheme the Parish may give help. These needs may include supplementary medical and pharmaceutical welfare grants to persons who are usually employed or in relation to items and services not included in the scheme such as spectacles, dentistry, chiropody. Persons of limited means can also receive free contraception through the Family Planning Clinic.

If you qualify for a Welfare Grant you may also receive help towards the cost of meals on wheels and home helps services where these are necessary.

Welfare Grants are set at a level to provide for normal requirements and supplementary payments may also be made, on application, towards meeting certain special needs such as a medically recommended diet. Fuel allowances of varying amounts, which are determined by reference to monthly mean temperatures, are also paid by the Parish to certain householders receiving regular welfare payments during the coldest months of the year.

## 13. APPEALS

One of the main advantages of the Welfare Grants system is the opportunity for the Parishes to have regard to personal circumstances and there may be occasions when individuals believe that they have not been fairly treated. Any person wishing to appeal against a decision of his or her Constable should, within a period of 8 weeks, personally, or with the aid of a States member, make a written appeal directly to the Greffier of the States, States Building, Royal Square who will convene an appeals body of three independent Constables.

## 14. FRAUD

Any person who knowingly makes a false statement or false representation for any purpose concerned with obtaining a welfare grant is liable to prosecution.

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DESKBY 300800Z  
FM WASHINGTON 292215Z SEP 82  
TO IMMEDIATE F C O  
TELEGRAM NUMBER 3189 OF 29 SEPTEMBER

FOR NAD  
US WELFARE PROGRAMMES

1. FOLLOWING IS THE INFORMATION REQUESTED BY NO 10 DOWNING STREET ON THE WORKFARE PROGRAMME AND ON AID FOR FAMILIES WITH DEPENDENT CHILDREN (AFDC).

-(A) AFDC

THE AFDC PROGRAMME IS A MATCHING PROGRAMME FINANCED BY THE FEDERAL GOVERNMENT AND BY INDIVIDUAL STATES. THE FEDERAL CONTRIBUTION AMOUNTS TO 54 PERCENT OF THE TOTAL OUTLAY. AFDC PROVIDES ASSISTANCE TO FAMILIES WITH DEPENDENT CHILDREN, IE UP TO THE AGE OF 18, WHERE THE FAMILY INCOME IS BELOW 150 PERCENT OF THE STANDARD OF NEED, IE BASIC SUBSISTENCE LEVEL, AS DEFINED BY INDIVIDUAL STATES. IN ADDITION, TO QUALIFY FOR AFDC, A FAMILY HAS EITHER TO HAVE A CHILD WHICH IS BLIND OR DISABLED (MENTALLY OR PHYSICALLY); OR THE FAMILY MUST BE A ONE PARENT FAMILY OR THE FATHER UNEMPLOYED.

THE PROGRAMME COSTS 14 BILLION DOLLARS A YEAR, COVERING 3.6 MILLION FAMILY UNITS (10.4 MILLION INDIVIDUAL RECIPIENTS). THE FEDERAL SHARE OF OUTLAYS IN 1981 WAS 7.9 BILLION DOLLARS WITH TOTAL BENEFIT PAYMENTS AMOUNTING TO 12.8 BILLION DOLLARS AND WITH 1.2 BILLION DOLLARS BEING ABSORBED IN ADMINISTRATIVE AND TRAINING COSTS. THE MAXIMUM STATE CONTRIBUTION IS ABOUT 80 PERCENT BUT OUTLAYS VARY CONSIDERABLY FROM STATE TO STATE DEPENDING ON DIFFERENT WELFARE PRACTICES AND ON WHAT IS REGARDED AS THE BASIC STANDARD OF NEED EG IN CALIFORNIA AVERAGE MONTHLY PAYMENTS FOR A FAMILY OF FOUR UNDER AFDC WOULD BE 600 DOLLARS PER MONTH COMPARED WITH 140 DOLLARS A MONTH FOR A FAMILY OF FOUR IN TEXAS.

AFDC IS A CORNER-STONE PROGRAMME IN THE US WELFARE SYSTEM AND ELIGIBILITY FOR BENEFITS UNDER AFDC IS FREQUENTLY THE CRITERION FOR ELIGIBILITY FOR OTHER PROGRAMMES EG MEDICAID (FEDERAL MEDICAL INSURANCE) AND FOOD STAMPS. UNDER PRESIDENT REAGAN'S NEW FEDERALISM INITIATIVE ANNOUNCED EARLIER THIS YEAR, THE FEDERAL GOVERNMENT WOULD ASSUME THE FULL COSTS OF MEDICAID (ESTIMATED TO REACH 19.1 BILLION DOLLARS IN 1984) WHILE, IN THE SAME YEAR, INDIVIDUAL STATES WOULD ASSUME THE FULL COSTS OF AFDC AND FOOD STAMPS (AT A COST OF 16.5 BILLION DOLLARS). THE US GOVERNOR'S CONFERENCE (THE COLLECTIVE VOICE OF ALL 50 STATE GOVERNORS) HAVE NOT ACCEPTED THIS PROPOSAL AND DISCUSSION BETWEEN THE GOVERNORS AND THE ADMINISTRATION CONTINUES.

RESTRICTED

/ (B) WORKFARE

## RESTRICTED

### (B) WORKFARE PROGRAMME

FEDERAL SOCIAL SECURITY LAWS REQUIRE STATES TO REGISTER AFDC WELFARE APPLICANTS AND TO REQUIRE BENEFIT RECIPIENTS TO BE AVAILABLE FOR, AND TO SEARCH FOR, WORK. THE 1981 BUDGET RECONCILIATION ACT INCLUDES A PROVISION WHICH ENABLES STATES TO INTRODUCE WORKFARE SCHEMES UNDER THE COMMUNITY WORK EXPERIENCE PROGRAMME. UNDER THIS SCHEME, A STATE CAN REQUIRE AN AFDC WELFARE RECIPIENT TO WORK IN PUBLIC EMPLOYMENT IN EXCHANGE FOR THE WELFARE PAYMENTS. THE LEGISLATION REQUIRES THAT THE JOB UNDERTAKEN MUST OFFER WORK EXPERIENCE BUT MUST NOT DISPLACE AN EXISTING EMPLOYEE. THE JOB MUST ALSO BE ONE THAT COULD NOT BE FILLED BY ADVERTISING. LAST MONTH'S TAX EQUITY ACT ALLOWED STATES TO REQUIRE AFDC APPLICANTS TO SEARCH FOR WORK PRIOR TO RECEIVING WELFARE PAYMENTS.

THE LEGISLATION ALLOWS STATES TO STRUCTURE THE WORKFARE SCHEME AS THEY THINK FIT. ABOUT 15 STATES HAVE SO FAR INTRODUCED SOME FORM OF WORKFARE PROGRAMME BUT MOST ARE LIMITED TO A COUNTY OR AN EVEN SMALLER ~~AREA~~<sup>AREA</sup>. ONLY THREE STATES HAVE STATEWIDE SCHEMES. WEST VIRGINIA HAS A STATEWIDE SCHEME FOR UNEMPLOYED FATHERS, OKLAHOMA HAS A WORKFARE SCHEME FOR UNEMPLOYED MOTHERS AND IDAHO HAS A SCHEME WHICH CATERS FOR ANY UNEMPLOYED PARENT.

SOME STATES HAVE LONG REQUIRED RECIPIENTS OF STATE WELFARE FUNDS TO WORK, BUT THESE SCHEMES ARE DISTINCT FROM THE PRESENT WORKFARE PROGRAMME. NEW YORK, FOR EXAMPLE, HAS A LONG-STANDING PROGRAMME IN ELEVEN OF ITS COUNTIES. UTAH HAS A PROGRAMME WHICH INCLUDES A STRONG ELEMENT OF TRAINING. SOME STATES OPERATE A 'GRANT DIVERSION' SCHEME UNDER WHICH STATE WELFARE RECIPIENTS ARE GIVEN JOBS IN PRIVATE SECTOR COMPANIES - THE COMPANY RECEIVING THE WELFARE BENEFITS AND THE WORKER RECEIVING FROM THE EMPLOYER THE MINIMUM WAGE. UNDER RONALD REAGAN, CALIFORNIA HAD A WORK EXPERIENCE PROGRAMME WHICH REQUIRED BENEFIT RECIPIENTS TO WORK IN PUBLIC SECTOR JOBS.

REPORTS FROM THE THREE STATES WITH STATEWIDE WORKFARE PROGRAMMES SEEM TO INDICATE THAT THE PROGRAMMES ARE POPULAR, AT LEAST, WITH THE LEGISLATORS. THE PUBLIC SECTOR JOBS CREATED ARE SAID TO VARY IN TYPE BUT ARE MAINLY IN THE CLERICAL AND MAINTENANCE OCCUPATIONS. THE STATE OFFICIALS ADMINISTERING THE PROGRAMME ARGUE THAT THE JOBS DO PROVIDE THE NECESSARY WORK EXPERIENCE. THE SCOPE IS NONETHELESS LIMITED BY PUBLIC SECTOR UNION OPPOSITION TO THE

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PROGRAMMES AND SOME STATES HAVE FOUND THAT THERE ARE COSTS INVOLVED WHICH ARE NOT IMMEDIATELY APPARENT - FOR EXAMPLE IN SUPERVISING THE WELFARE WORKER. CRITICS ALSO CLAIM THAT THE JOBS ARE GENERALLY MENIAL AND DO NOT ALLOW THE WELFARE RECIPIENT TO GET OUT OF THE CIRCUMSTANCES WHICH LED TO THE NEED FOR WELFARE. A LARGE PROPORTION OF THE WELFARE RECIPIENTS ARE SINGLE PARENTS AND CRITICS OF THE SCHEME MAINTAIN THAT SERIOUS PROBLEMS ARISE IN ORGANISING CHILDCARE - MANY OF THE PARENTS BEING UNABLE TO AFFORD THE CHILDCARE FACILITIES. FINALLY, CRITICS ARGUE THAT WELFARE RECIPIENTS WOULD BENEFIT MOST FROM SOME FORM OF TRAINING TO EQUIP THEM WITH JOB SKILLS AND THAT THE WORKFARE SCHEME IS TOO NARROW IN SCOPE TO ALLOW THE NECESSARY PROVISIONS FOR TRAINING.

WRIGHT

COPIES SENT TO  
No. 10 DOWNING STREET

LIMITED  
NAD  
PS  
PS/PUS  
MR GIFFARD  
MR URE

CONFIDENTIAL

cc Mr. Walters O/R

MR. SCHOLAR

UNEMPLOYMENT POLICY

Further to your letters of 15 October 1982 to the relevant departments, you might judge it appropriate to send to departments further information on Workfare. I therefore attach some details of schemes in:

- a. JERSEY - where, I understand, the Workfare scheme is regarded as making a significant contribution to their low unemployment rate of 1½% last winter - as against a comparable mainland equivalent of Isle of Wight at over 14% unemployment. The Channel Island scheme has, incidentally, the approval of the T&GWU.
- b. USA - a note on Workfare prepared here for Mr. Walters, along with Washington telegram No. 3189 which was provided at our request.

If you agree you might find the attached draft letter useful.

AS

16 November 1982

ADRIAN SMITH

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DRAFT LETTER FOR MR. SCHOLAR TO SEND TO:

SECRETARY OF STATE FOR SOCIAL SERVICES  
PS/EMPLOYMENT SECRETARY, ETC.

*cc PS/CH/Ex*

UNEMPLOYMENT POLICY

*(work to you on)*  
Further to my letter of 15 October 1982, *which we have here* you might find it useful to have to hand some details of Workfare Schemes in Jersey and USA *about the government's policies for dealing with unemployment in his connection* which we have to hand here. I therefore enclose:

- a. papers relating to the Jersey scheme;
- b. a note prepared here on Workfare and Washington telegram number 3189.

16 November 1982

CONFIDENTIAL

WORKFAREA. INTRODUCTION

1. This note is concerned with the possible introduction in the UK of the concept of "Workfare", defined as a system whereby unemployment and supplementary benefit recipients are required to perform a certain form of work in exchange for receipt of benefits. This note looks first at the principles involved; then analyses the relevant history and experience of others, mainly American; it next appraises the advantages and disadvantages of a possible scheme in Britain; and finally discusses coverage and the prospects for its introduction here.
2. Workfare is only one constituent part of any welfare and social security policy. However, it could be of such a transforming nature in Britain that it may change significantly the whole ethos and approach to work and a way of life generally, and the approach by some to benefits particularly. Workfare could become a key cornerstone in a modernised Welfare State, with the possibility of a gradual introduction, say, commencing with one particular segment and combining it with job search and assisting in making a significant positive contribution towards bringing down unemployment by reducing real wages and thus creating new jobs.

B. HISTORY

3. The whole idea of Workfare has Transatlantic origins; in the USA some individual states have for some time required recipients of local state welfare funds to work - eg New York, Utah. However, it is only recently under Mr Reagan, first as Governor of California (1973-77) and then as President (from 1981) that the concept has gained momentum nationally. The US Budget Reconciliation Act 1981 included a federal provision which enabled all states to introduce Workfare schemes; this legislation required that the jobs undertaken should offer work experience, should not displace an existing employee, and be one that could not be filled by advertising.
4. The US Workfare programme is linked with its Aid for Families with Dependant Children (AFDC) scheme which is a matching programme financed by the Federal Government and by individual states. To

qualify for benefits under AFDC, which is available only to families with dependant children who also suffer from the father being unemployed, being a one-parent family or having a disabled child, the 1981 Act gave the individual states the option of requiring AFDC recipients to work in exchange for receipt of benefits; new 1982 proposals recently made would change this to mandatory, rather than optional. AFDC is regarded as a key element in the American welfare system, and eligibility for benefits is often the criterion for other welfare and, eg medicaid.

C. AMERICAN EXPERIENCE

5. About 15 states out of 50 have already introduced the federally-inspired Workfare programme, but within these 15 states, most are limited so far to certain counties only. Only three states - Idaho, Oklahoma and West Virginia - have full statewide schemes. However, as noted earlier, some states have long required recipients of purely local welfare funds to work, but these schemes are distinct from the present Federal Workfare programme.
6. Reports from the three states with statewide Workfare programmes indicate that they are popular - at least with the legislators. The public sector jobs created are mainly of a clerical or maintenance nature, and do provide useful work experience for the individual and perform a useful public duty; there are other jobs in the private and charitable sectors which offer a wider range of work. There has been some, not unexpected, opposition from the public sector trade unions and some states have encountered unanticipated costs over work supervision and equipment.
7. American national experience to date may be insufficient to make any judgment, but in the state of California (with a population of over 20 million and GDP around that of the UK) under then Governor Reagan there has been a longer history, starting from 1971 when a three-year demonstration programme commenced, which is looked upon as the blueprint for the present proposals. Here there were some high, possibly too high, objectives which encountered some hiccoughs and local party political opposition. Whilst this programme was not adjudged too successful, some would argue it was not really given a chance to work. It did, however, serve to highlight the potential of Workfare, namely it could be both administratively feasible and practical, it could reduce the

dependency on welfare, it could deter new welfare applicants, and it was possible to cut public expenditure.

D. ADVANTAGES FOR BRITAIN

8. A major advantage of Workfare is that the notion of "something for nothing" is eliminated. Welfare benefits would no longer be regarded as a free good and the permanent and in some ways debilitating dependence on welfare could be avoided. The community, which through taxation finances the various social welfare schemes, would not only obtain, but could see, a real gain in the shape of increased evidence of activity at day care centres, old folks' homes, nurseries, libraries, parks etc, as well as various charitable, religious and private activities. Consequently, there might be some small reduction to objections to paying taxes and rates as well as a more general acceptance of the so modified welfare state.
9. Workfare offers advantages to the participant in that work experience and training are acquired which could be of value in seeking a future job outside the Workfare system; good work records and references could be built up. The participant could also acquire a sense of discipline, pride and independence which are becoming qualities of growing significance in an increasingly competitive world. The value of the participant to society at large would be increased and the training provided could be aligned with that in other national training programmes supplied by the MSC. It could also help new (and old) immigrants to adjust into British society by bringing them more into contact with aspects of it.
10. Though not a prime aim, a significant deterrent effect to the claiming of benefits would be created. A "work-shy" individual would have every incentive to abandon his so-called shyness as benefits would no longer support and induce such behaviour. Fraud and abuse of the welfare system would fall, as particularly the "working and signing" brigade would be stumped; scope for involvement in the informal, or black, economy would be consequently affected. Both groups would need to be busy elsewhere on "community" work if they wished to draw benefits. A reduction in the number of claimants would thus enable reductions in public expenditure and also Civil Service numbers to occur.

1. As part of the Workfare concept, there would be no displacement of existing workers, and therefore nobody would be added to the unemployment register. Real wages elsewhere in the labour market could fall as some of those unskilled vacancies at present on the margin of employment were allocated to Workfare participants, thus helping to create new jobs and raise employment.

E. DISADVANTAGES FOR BRITAIN

12. It is possible to identify some of the disadvantages of having a Workfare system in Britain and to indicate the arguments that would be mounted against such a scheme being introduced. Some would regard Workfare as an alien attack on either human rights or the welfare state; this might be resisted on the grounds of limiting benefits to justified needy recipients just as the Poor Law Amendment Act of 1834 curtailed the earlier generous Speenhamland system. Adjustments to welfare is no new idea. For a Workfare system to be effective it needs to be mandatory and as such might be seen as a restriction on the freedom of the individual; this is another possible disadvantage. It may further be argued that Workfare would not allow a recipient to escape immediately from the circumstances which originally led to welfare dependency, as his income would be unchanged - but he would be gaining valuable training and experience.
13. The scheme might be seen as anti-trade union in that it would create a non-unionised workforce for unwanted, menial jobs. On this postulation, no new jobs might be created at all, as all new vacancies would be filled by "costless" Workfare candidates; but some Workfare trade unions might indeed evolve. There would certainly need to be a list of exemptions from the scheme, eg mothers of young children, and it would be advanced that this list of exemptions would need to be extended considerably to be realistic - eg all females, all over 50, all with a sickness record, etc - so as to deny the scheme any real chance of success.
14. The training element in Workfare might only be of such a narrow and limited value to participants because of the general menial and restricted classification of the tasks envisaged, but Workfare does not exclude professional or skilled posts. A Workfare training scheme might be confused with other DE or MSC training programmes.

For the scheme to be fully effective, a long time scale might be necessary, as it could take a fair period for these various labour market changes to penetrate and affect personal behaviour.

15. If applied to families with children, there could be child care problems which would create a demand for new care facilities (to be manned by Workfare?) Furthermore, the Workfare programme would involve additional public expenditure to cover management, co-ordination and equipment for the programme. It would also require the full support of various local bodies - local authorities, charities, churches, etc - and some (with a different outlook or political colour) would deny that support. The Californian initial experience would be cited in support of local difficulties surrounding a Workfare programme.

F. COVERAGE

16. This is an important aspect in any Workfare programme. The widest possible coverage would bring about the greatest results; but it could involve over 3 million persons and would indeed be a mammoth programme. Realistic exemptions - one-parent families, mothers of young children, disabled, etc - would reduce this figure a little, but even if applied to the remainder of the unemployed, it is still no small programme involving over 2 million persons. It might therefore be worth considering some differentiation which resulted in an initial smaller number.
17. Differential coverage could be the answer initially. It might be worthwhile concentrating at first on the young unemployed, rather than to try differentiating by region, sex, duration or skill. At present there are 950,000 unemployed aged 21 and under; this is a group with very little financial commitment and often living at home. It is also one where the training investment element should be at its greatest, and if any teething problems arise, these could be resolved before the scheme is widened, eventually to embrace all further groups of the unemployed. It could also be worthwhile to mix Workfare with Job Search - say 4 days of Workfare and 1 day on job searching, so as to maintain incentives.

PROSPECTS FOR THE INTRODUCTION OF WORKFARE AND CONCLUSION

18. The time might now be judged to be politically ripe for the significant transformation of part of the welfare system that Workfare is. There are considerable potential gains both in terms of an attack on the "Why Work" syndrome and because of potential public expenditure savings. American experience has shown that Workfare is realistically feasible. Local co-operation is an essential element in the scheme, and this may need to be obtained from a variety of local bodies. It may be thought best to introduce Workfare gradually and, if so, a good case can be made out for starting with those of 21 and under.

ADRIAN SMITH