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Abigail Jackson

A thesis submitted to The University of Huddersfield in partial fulfilment of the requirements for the degree of Masters by Research.

MSc by Res

The University of Huddersfield

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Abstract

This research critically analyses the language used by politicians: David Cameron, George Osborne and Iain Duncan Smith, in their efforts to build and convey constructs of welfare recipients and welfare reform in the period of 2010-2014. Using Critical Discursive Psychology principles and practices, the constructs are analysed by asking how they were built and how. These questions are considered alongside a focus on linguistic tools, rhetorical features and their function regarding macro factors. The data analysed consisted of transcribed speeches which were delivered by Cameron, Osborne and Duncan Smith prior to and subsequent to the introduction of welfare reforms. Drawing from this data, the analysis discusses how aspects of welfare are rhetorically managed in discourse. The interpretive repertoires which were built and drawn from by the politicians constructed welfare recipients as victims and abusers and welfare reform as fairness and opportunity. The accounts of welfare produced by these Conservative leaders provide a vague, insufficient version of reality. The speeches are socially functional: they work to condemn unemployed welfare recipients, to criticise the previous Labour government, to praise working people and to justify the welfare reforms. The discourses place blame and responsibility for the economic downturn and personal financial struggles on individual welfare recipients regardless of their individual circumstances. The discourses were also found to portray the reforms as both punitive and beneficial to welfare recipients therefore appealing to different perspectives. This research challenges the discourses produced by Conservative elites with regards to their validity and their political implications. In doing so, the research aims to offer a critique of the constructs of social security recipients and the coalition’s welfare reforms built by Conservative politicians by deconstructing their
accounts. In challenging these accounts the research also aims to provide alternative cultural resources for this social debate. The greater implications of powerful discourses, as well as how discursive practices can be employed to encourage greater awareness, are also discussed.
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Introduction: The Political Context

In the wake of a massive overhaul of the UK’s welfare state, this research investigates the language used by politicians: David Cameron, George Osborne and Iain Duncan Smith to build and convey constructions of the welfare system and its reform. The constructs are discussed with a particular focus on the linguistic tools, rhetorical features and their function at a macro and micro level. As such, the events leading up to the welfare reforms and since their introduction are explained to provide background and context. The circumstances and developments surrounding welfare reform inform the debates taking place in society and amongst political elites. As such, this context will be discussed at length in the next section.

Six years after the beginning of the global financial crisis, in spite of a slight increase in economic growth (OFS, 2013), wages are still considerably lower than 2008 levels (Independent, 2014). The very slight increase in economic growth meant the avoidance of a triple dip recession. However despite this boost in morale, issues such as wage growth, low living standards and zero-hour contracts are overlooked. In 2011, unemployment was at its highest level since 1996. Amidst this crisis, the Liberal Democrat-Conservative coalition announced significant changes to welfare and extended the length of their austerity programme (Osborne, 2013). The lack of economic growth was said to be due to increased borrowing and deterioration of public finances caused by the weak recovery. One of the main questions to be asked is whether it will reduce the UK’s record level debts and create a more sustainable economy or create an unstable economy and deteriorate living standards.

One of the most publicised, and perhaps the most contentious of the coalition’s welfare reforms, is the under-occupancy penalty, commonly known as the bedroom tax or
loquaciously, the removal of the spare room subsidy (for clarity and convenience it will be referred to as the ‘bedroom tax’ hereafter). The government’s social housing policy in particular inspired this research into welfare reform discourse as I wanted to challenge it. The differences between the terms are discursively and rhetorically significant: is the policy penalising, taxing, or removing a privilege? The name used to discuss the policy is essentially the first impression people receive by presenting the construction positively or negatively.

The policy introduced on 1 April 2013 states that tenants who live in social housing receiving housing benefits will have their housing benefit reduced if the property they rent has more living space than is deemed necessary. They will have to pay the difference in their rent or move to more appropriately sized accommodation depending on how many rooms they have in their house (Department for Work and Pensions, 2012). This reform aims to result in better use of housing stock, save up to half a billion pounds a year in public spending, reduce overcrowding in Social Rented Sector accommodation, reduce the housing waiting list and incentivise people into employment (Department for Work and Pensions, 2012).

Alongside this particular reform of social housing benefits came other welfare reforms such as Universal Credit which will combine six main means-tested benefits and credits in the hope of simplifying the system, cutting costs, and making it easier for individuals to return to part-time work. Universal Credit has been predicted to be amongst the most significant reforms for a generation (Cameron, 2012). The changes include a benefit cap which limits the total of an individual or a family’s claim to certain benefits aiming to make people less dependent on the welfare state; Personal Independence Payments (PIP) which replaces Disability Living Allowances requires that a person submit to assessment before claiming and may be re-assessed intermittently to deter fraud and prevent error. The main purpose
of these reforms according to David Cameron is to build a more responsible society by ‘ending the nonsense of paying people more to stay at home than to get a job’ (Cameron, 2012). Although the policy is about changing behaviour and cultural attitudes towards the state (DWP, 2013), the wider economic impacts are also significant to the argument for austerity on the whole because initially it was proposed that these cuts would help to reduce the deficit (Chartered Institute of Housing, 2010). Contrary to that suggestion, Institute of Fiscal Studies (2011) suggested that the new system of Universal Credit will cost £1.7bn more than the existing regime in the long run begging the question of how worthwhile these changes are.

To justify the cuts and support the programme of austerity, George Osborne quoted a report by Reinhart and Rogoff which argued that economic growth sharply declines when a country’s debt-to-GDP ratio was in excess of 90% (Reinhart and Rogoff, 2010). This report built the foundations of the argument which buttressed the political drive in Europe and the U.S to reduce debt by following a programme of austerity. However, this pro-austerity report was found to have errors which affected the findings considerably.

The amended findings did not show that growth rates would be necessarily negative or stagnant but rather that growth rate might merely be somewhat less positive. This undermines the notion that governments need to make cuts when debt to GDP ratio exceeds 90%. Further, the International Monetary Fund which previously backed austerity has now suggested that Britain is still a long way from stability and sustainable recovery despite recent minor improvements. If Britain continued with a programme of austerity it would cause a drag on growth, the IMF argues, Britain should begin high value spending on infrastructure and job skills before causing permanent economic damage (IMF, 2013).
Similarly, ‘New-Keynesian’ economist Paul Krugman states that in Great Britain and other countries enforcing austerity such as Greece, Spain and Italy there actually needs to be more spending, not less to stimulate the economy (Krugman, 2012).

Nevertheless George Osborne has declared that the austerity programme and its cuts will continue until 2020 despite the results and reports so far. The Shadow Chancellor, the Labour Party’s Ed Balls, describes the situation as ‘squeezed living standards, sluggish growth and, despite all the pain, the deficit still high’ (Balls, 2013). As a result the coalition has increasingly focused on the more dynamic, social impact, specifically aiming for a change to the culture of entitlement by lessening what they see as the reliance of many people on the welfare state. Politically, the discourses suggest that this aim is of utmost importance over any financial gain to be had from reducing the cost of the welfare state.

Although Labour and the coalition have disagreed on the specifics of the new welfare policies, their ideological view of welfare has in general seemed increasingly parallel. For instance, both parties are placing heavy emphasis on making the economy work for working people as opposed to welfare as a substitute for decent employment.

The response to this programme of austerity has been varied but there has been great attention paid in particular to the under occupancy penalty. Labour’s stance on the policy stressed the hardships of individuals who are forced to make a choice between homelessness and expensive private accommodation. Labour has highlighted how neither of these options can be beneficial for individuals nor the country as a whole. In direct opposition, those in favor of the bedroom tax argue against the assumption that everybody who lives in social housing with a spare bedroom will have to downsize; their view is that
the removal of the spare room subsidy will motivate tenants back to work, to work more hours or alternatively take in lodgers (DWP, 2012).

While some expect the housing reform to mean fairer redistribution of accommodation and ultimately a cut in welfare spending, those who oppose these changes to social housing have warned that the bedroom tax could result in a housing crisis. Due to a shortage of available one bedroom houses the National Housing Federation predict that there will be an increase in benefit claims as people move to the private rented sector for accommodation (NHF, 2013). There have also been reports of larger homes remaining empty as people cannot afford to rent them or cannot afford the moving costs. Charities, such as Crisis (2013), warn that those who must try to pay the difference may be unable to avoid debt and ultimately become homeless as a direct result of the bedroom tax. In fact, between April and June of 2013 51% of residents affected by the bedroom tax were unable to pay their rent (NHF, 2013).

In the past, Labour enthusiastically championed state-organized social welfare which aimed to free individuals from the ‘vagaries and oppression of personal circumstance’ (Freeden, 1999). Although New Labour can be called ideologically eclectic, the party is by no means ideologically dormant. Notable ideas which can be seen consistently within Labour policies are: equal worth, opportunity for all, responsibility, social justice, community and cohesion (Freeden, 1999). Together these notions create an egalitarian aim for society which inspired programs like the New Deal and Flexible New Deal which intended to help and support the unemployed to reconnect them with the job market (Atkins, 2010). Although these were relatively strict and introduced greater conditionality, they were also accompanied by more support. Indeed, the core New Labour value was ‘reciprocal rights and responsibilities’
which meant a certain amount of faith that people would accept opportunities offered and receive help and support in return.

On the other hand, the Conservative-led coalition aims to discourage unemployment by removing the reliance on the benefit system. This stems from the argument that, so far, the welfare system has failed to incentivise people to work and that unemployment is an active choice. It seems that the introduction of the welfare reforms are a punitive measure compared to the relatively supportive programs introduced by New Labour under Tony Blair. Where New Labour emphasised that everybody able to work should have the *opportunity*, the Conservative view is that everybody able to work has a *duty* to do so to fix ‘broken Britain’. Welfare minister Iain Duncan Smith even embraced and developed the call for ‘social justice’ which as previously mentioned was a term Labour consistently used to strengthen the argument for the increasing role the government played in welfare (Freeden, 1999). Ideology is shaped by making acceptable connections between terms and arguments (Freeden, 1996), hence the different manipulation of the term ‘social justice’. The phrase was once used to support the existence of a welfare state and is now employed to justify its reduction. The coalition claim it is a social injustice that working people must support benefit claimants through taxation whereas in the past Labour described social justice as providing equal opportunities through welfare.

Currently, as Ed Miliband speaks about the issue of ‘worklessness’ and how the welfare system encourages a minority of individuals getting something for nothing from the state, Labour seem to be shifting to the right. The two parties do appear to have converged on some aspects related to welfare reform. Milliband (2013) argues that reforms are necessary
to make the welfare system sustainable and fair, but that the Conservative way takes support away from working families and those who need it most.

The conflict over the bedroom tax is therefore interesting as the issue where Labour has chosen to take a stand; according to Ed Miliband reform is necessary but currently the coalition’s social housing reforms are economically superficial, short term and will ultimately fail (Miliband, 2013). Prior to the 2013 Labour Conference, Ed Miliband condemned the social housing reforms and pledged to abolish the bedroom tax if elected in 2015 (Miliband, 2013). It is worth noting that some Liberal Democrat politicians, have reportedly called for a reconsideration of the bedroom tax with Mike Rumbles, member of the Scottish Parliament (MSP) calling it ‘mean-spirited’ and Councillor Robert Brown criticising it as ‘damaging and unfair’ (BBC News, 2013). Meanwhile the United Kingdom Independence Party (UKIP) has consistently and openly renounced the bedroom tax, claiming the policy would be reversed if they are elected at the next election (UKIP, 2013). The Scottish National Party (SNP) has promised to remove the bedroom tax if Scotland gains independence as they claim the policy will only drive people deeper into poverty (SNP, 2013). In February, the SNP and Labour worked together to ensure there were no evictions as a result of the bedroom tax (The Scotsman, 2014).

Despite the disparity over the bedroom tax, Labour insists that they realise reform is needed to prevent social security spending getting out of control. Ed Miliband suggests that by enabling local authorities to negotiate on behalf of tenants on housing benefits there would be a decrease in spending (Miliband, 2013). Essentially this is a communitarian type of rent cap where the money saved would then be used by local councils and funneled into building social housing.
UKIP have not offered any possible alternative measures related to housing benefits but call for a limit on child benefits after the third child, the scrapping of Jobseekers Allowance and incapacity benefit for a basic cash benefit for low earners and unemployed individuals and a block on benefits for people who have lived in the UK for fewer than 5 years. Liberal Democrat leader Nick Clegg was initially standing by David Cameron in the introduction of sweeping welfare reform (CIH, 2013). In 2010, however, the Liberal Democrats proposed solution to under occupancy was to offer grants to renovate social housing (Liberal Democrat Manifesto, 2010). This discrepancy with Liberal Democrat ideology has been portrayed by the party as a move away from the left towards the centre-ground rather than a meek, reluctant move to the right. More recently, following poor election results, Clegg announced that reforming the bedroom tax would be in the Liberal Democrat Manifesto (Telegraph, 2014). Osborne announced further cuts amounting to £25bn which he argued should primarily come from the welfare budget rather than other departments (Osborne, 2014). At a press conference in Whitehall, Clegg did not stand by this, declaring the cuts to welfare as an ‘unbalanced, lopsided approach’ which places the fiscal burden on the working-age poor (Clegg, 2014).

When researching the political discourses surrounding the bedroom tax, it is important to understand the broad context surrounding the discourse. For instance, the Conservative ideology can be seen consistently in the leaders’ speeches. Also, the current economic climate is referenced regularly especially regarding the different economic approaches available. The history and context is of particular relevance to housing benefits as that is one of the most antagonistic areas of debate. Considering the broader picture enables inclusion of facts, events, and comments etc. which are pertinent to the policy and allow a full
understanding of the discourses, its constructions and their function. Therefore a thorough knowledge of the context will enhance the comprehensiveness of the findings and analysis of political speeches, their features and their functions.

Researching speeches performed by leading Conservative politicians can illuminate how these social positions are conveyed and used to benefit the speaker and the Conservative party. This research will also show how the history of welfare, cultural attitudes, unemployment statistics, economic growth are referred to by Conservative politicians in order to support their own social positions and their party’s. The political context is the key to understanding the arguments made by politicians to justify these reforms especially as the ideological terms underpinning them are so alike irrespective of party membership. This reflects an underlying feeling of indignation from British taxpayers about funding the welfare state thereby ‘enabling’ people to remain out of work. Conservative leaders have facilitated truly dramatic changes by connecting the existing value structure in Britain to new policies in order to invoke an accepted idea of legitimacy in them (Ross, 2013).
Reflexive Rationale

I began this research because I feel the need to deconstruct and challenge taken for granted assumptions and arguments made by politicians and the mass media concerning welfare reform. The assumptions and arguments are constructed in what is said but also in what is not said. Therefore I challenge the dominant discourses to provide an alternative discursive space for benefit recipients. Discursive constructions are man-made and can therefore be challenged and rebuilt to create new versions of reality (Goodley, 2004). A discourse analyst examines how discourses are produced in situated contexts, the impact of discourses and also the possibility of resisting dominant governing discourses (Goodley, 2004).

In the process I also aim to increase awareness of the potential influence language can have on an audience or reader. For instance, how novel terms and phrases are coined and then become commonly used within groups and communities to pragmatically express shared views e.g. bedroom tax, culture of entitlement, skivers and strikers. This is to say that grammatical structures and lexical choices may affect how we perceive a situation in a particular way when in actuality there are various ways to do so (Kay and Kempton, 1984). This is particularly relevant to politics where politicians have an exponentially increasing ability to express their views to society through their speeches, and more than ever to influence individuals who are not necessarily politically-minded. The increasing exposure can be attributed to television and more frequently now, the internet. Atkinson (1984) stresses how politicians now have greater influence on the public as a result of modern media. Of course audiences are not merely receptive puppets to be conditioned by the media and politicians but it cannot be ignored that there is much potential for abuse and I
am wary of this reality. It must also be acknowledged that there is more opportunity for the public to scrutinize politicians especially when they are communicating through social networking sites such as Twitter and Facebook.

Since the public are becoming more exposed to politicians, their language and ideas in day-to-day life I feel it is more relevant than ever to consider how and why political topics are presented in specific ways. An awareness of rhetorical tools and their functions would reduce the potential for abuse and enable people to question what they hear from politicians and the media, thereby better equipping society to challenge dominant discourses.

I chose to focus on the welfare reforms because I found the controversy surrounding the policies interesting, primarily due to Labour’s restrained response, which I expected to wholly oppose the changes from the start. Furthermore the political discourses around the topic seemed a pertinent example of how language is manipulated by speech writers e.g. the various titles attributed to the policy intended to show it in a different light.

Although I am not directly affected by the bedroom tax, I feel that it is not a practical approach to achieving social justice or to reducing social housing spending. I disagree with the notion that everybody who receives benefits is getting “something for nothing’ and therefore do not think it is fair to charge people for having an unoccupied room in their house especially as this penalty is regardless of the size or function of the room. My belief is that the coalition has picked scapegoats to blame for Britain’s economic difficulties rather than placing the responsibility on the banking sector, when the reckless practices of some of the UK’s biggest lenders meant they had to be bailed out by the taxpayer. These scapegoats appear to be the unemployed, immigrants and the elderly who I personally feel need protecting rather
than absurdly being made accountable for the financial crisis (Midlands Psychology Group, 2014). According to The Guardian, two thirds of the people being hit by the bedroom tax are disabled (Wintour, 2013).

At first when I shared these thoughts with friends they agreed that it was not fair especially for disabled and elderly people who might have difficulty finding extra income to cover the costs of the bedroom tax. However as the discussions progressed, I found that particularly those who worked began to question why they should be paying taxes to cover the costs of people who ‘choose’ not to work. They suggested that most people who received benefits did not need or deserve them. I supposed that a lot of people know of or have heard of somebody who fraudulently claims benefits and so it easy to believe that large numbers in Britain do this. In reality, only 0.9per cent of people who claim benefits do so fraudulently (DWP, 2013). Additionally, the reforms do little to prevent fraudulent claims but simply make life more difficult for those in need of a safety net. Further, it is estimated that if everybody in the UK claimed the benefits they are entitled to and received the correct amount the cost would actually increase by £18billion (DWP, 2012).

It shocked me that there existed such a common misconception of the welfare system. During the discussion it struck me that the same phrases were being used and that they sounded familiar to me: that benefit claimants choose not to work, are lazy, are scamming the system, that people are living the ‘life of Riley’ on benefits. Generally, there was a feeling of resentment towards those receiving benefits with the belief that the welfare system is unfair. The same impression is echoed in programmes such as ‘We pay your Benefits’, ‘On Benefits and Proud’, ‘Benefits Street’, ‘Skint’ and ‘People like Us’ which shows a select group of people in an unfavourable light and tars all claimants with the same brush.
I do not watch these programmes because I disagree with the idea that people who claim benefits have an easy, enjoyable life. These programmes show a very small sample of society, a limited, often twisted, glimpse into their lives and represent this as the norm for everybody receiving welfare payments.

As far back as 1935, Benjamin Seebohm Rowntree argued that those in poverty were not in a position to significantly improve their situations. Prior to his research into the living conditions of the poor in York it was widely believed that the poor were responsible for their own difficulties. The findings actually suggested that low wages and unemployment were the main causes of poverty rather than the individuals’ attitudes or choices. An expanding economy, an increase in wages and the development of the welfare state seemed to improve living standards among the poor (Seebohm Rowntree, 1941). Knowing this, I think that the approach which the Conservatives and Liberal Democrats are taking is outdated and irrelevant at best and irreversibly harmful at worst.

Clearly, I do not empathise with the values of the coalition government or the arguments produced in favour of the bedroom tax and other welfare reforms. My position in this research is marked by basic humanitarian values which make me question the supposed necessity of the changes to the welfare state on a moral level. Therefore I ask to what extent the reforms achieve social justice and opportunity. Secondly, I contest the economic benefit of this punitive approach to welfare and argue that the country as a whole will not benefit financially or culturally. Finally, I challenge the authenticity of welfare reform discourse produced by Conservative politicians as a genuine representation of the economic and social situation in Britain.
To empirically assess the discourse produced by Conservative politicians in political speeches I will take a discursive approach. A discursive analysis allows me to deconstruct the Conservative leaders’ arguments, challenge the rhetoric by offering a more positive perspective of welfare. A discursive approach also enables me to consider my own position within the research which will ensure the research is transparent and that all claims are supported by sufficient evidence. The aim of this research is to challenge the position taken by the coalition in their speeches and the ‘taken for granted’ arguments I have heard from Conservative politicians, on television and from friends in every day conversations. The research will also address politicians’ use of linguistic rhetorical tools when communicating ideas to the public.
Literature Review

The current research aims to critique and deconstruct representations of social security recipients and the coalitions’ welfare reforms built by leading Conservative politicians. This investigation is socially relevant in the wake of punitive welfare cuts which discriminate against those who are unemployed, single parents, and people with disabilities. The language used in the political speeches pertaining to these reforms has misrepresented social security claimants and created divisions in society within the bottom of the class structure distracting from the greater inequalities in society (Hoggett et al. 2013). Therefore challenging communication through political speeches can be a means to ensuring society is a more progressive and tolerant place (Jeffries, 2013).

There has been increasing research addressing language as multi-functional and multi-consequential. Language can be used for a variety of purposes such as to: justify, explain, legitimize, argue, inform. This research analyses language seeing it as a method to construct reality rather than to simply communicate or reflect reality (Frost, 2011). It sees language as a potent and constitutive part of actions, events and situations. By utilizing the potential of discursive data, research can provide a better understanding of the rhetorical and discursive organisation of social life and interactions. Discourse analysis of political interactions, texts and speeches, in particular, has provoked debates and controversy regarding methodology. For instance, simply analysing the political content of political discourses lacks attention to the array of discourse analytical techniques available in other disciplines (Hay, 2013). The focus of the analysis is restricted by looking for the political in the discursive. However the micro and macro aspects are interconnected and as such should be analysed with regards to the other.
Research into the portrayal of single mothers fighting welfare cuts in Israel revealed complex cultural constructs at work (Herbst, 2003). This enlightening research found that a neo-liberal discourse of welfare created negative constructions of single mothers. The findings showed that there were two competing representations of single mothers: firstly, where mothers have a legitimate, maternal role in society versus mothers being irresponsible and dependant on welfare allowances as a result (Herbst, 2003). This research rightly shows how hegemonic forces can succeed in reconstructing the image of a single mother’s role in society. However, Herbst’s study does not discuss representations of any other demographic on welfare allowances, limiting its applicability. It is further limited by content orientated analysis: the findings legitimately discuss social constructions but do not venture to discuss how they are presented linguistically i.e it does not examine the micro aspects in building of constructs. By bringing in a broader range of objects under analysis, the researchers could expect a more thorough understanding of language as a social act (Atkinson, 1984).

Micro factors could include the use of language which ‘plays on emotions’. Emotive language can be used as a social act to invoke guilt and encourage or seduce citizens to volunteer their time and encourage ‘active citizenship’. In Verhoeven and Tonkens (2013) study emotive language was employed with the aim of reducing citizen dependence on social services and other welfare arrangements. The study compared the discursive fields surrounding the topic of reforming the welfare state in the Netherlands and England. It found that similar argumentative ingredients were used in both situations: the need for more active citizenship, greater citizen responsibility and self-reliance, informal care and support and greater local level power (Verhoeven and Tonkens, 2013). Despite the same
concepts, the study shows an interesting difference in the forms of talk: ‘empowerment talk’ and ‘responsibility talk’. These different forms also meant different types of language e.g. inclusive pronouns such as ‘we’ and ‘our’ in contrast to ‘you’ and ‘your’. The former has the effect of inducing positive, inclusive feelings towards becoming an engaged, active citizen and getting involved. The latter is designed to point the finger and create negative, exclusive feelings of guilt and shame for being passive, irresponsible citizens. The study is interesting as it delves deeper into the linguistic strategies in welfare discourses. The findings suggest that emotional performances are an important rhetorical tool in speeches. Realising the tools at work in political discourses offers insight into how politicians try to engineer what citizens should feel about welfare reform and those who receive benefits (Tonkens et al. 2013).

For instance, in the UK, political parties have engineered consent for welfare reform during austerity even amongst poorest voters (Hoggett et al. 2013). Focusing on anti-welfare discourses to investigate how politicians promote increasingly conditional and punitive forms of welfare, their findings suggest that encouraging resentment, division, and rivalries amongst those with little succeeds in diverting citizens’ attention away from greater inequalities between the richest and poorest in society. Analysis of citizens’ discussions about fairness highlights the resonating tones of resentment from those who ‘pay into the system’.

The findings of resentment highlight the importance of the role of a predominant public mood in the formation or approval of public policies, stressing that solely focusing on fairness discourses neglects the powerful public feelings of resentment and their role in the process (Hoggett et al. 2013). It would be naive to assume political speeches alone create
dominant public representations of welfare, but so would ignoring the potential that such speeches have to reflect and promote pre-existing and powerful constructs about welfare. Examination of linguistic usage provides powerful insight into political trends and ideological shifts (Jeffries, 2013). Further, political language does have performative purposes and has the ability to create what at first it merely describes such as unfairness, resentment and divisions (Hoggett et al. 2013).

According to Atkins (2010), the political language used during New Labour’s period of welfare reform succeeded in setting the agenda for reform by using moral arguments which were mediated by ideology, argumentation and hegemonic competition. New Labour introduced the New Deal and Flexible New Deal to encourage employment by providing training and job opportunities to the unemployed. Atkins’ research considered the deontological constructs (moral arguments) used to win support for the New Deal and Flexible New Deal but also their performative function e.g. does the argument have a hegemonic advantage? What ideological meaning is assigned to the argument? What rhetorical techniques support the argument? When analysing the corpus of data, these are questions that can be applied to the context of current welfare reform discourses.

These examples of existing research attend to important linguistic features in political discourses and highlight important factors to regard during analysis. However the methods do not comprehensively address the macro and micro aspects of welfare. The analytic method chosen for the current research, Critical Discursive Psychology (Wetherell, 1998; Edley, 2001; Edley and Wetherell, 2008), has scarcely been applied to political discourses of welfare reform but has been used to successfully deconstruct, analyse and challenge other
dominant discourses. Gender research provides an example of how critical discursive psychology can be used to challenge restrictive or negative representations of groups.

For example, Charlebois (2012) investigated the constructions of femininity and masculinity in Japanese culture. Charlebois focused on the subject positions discursively available to Japanese men and women assumed when discussing gender roles. Using relevant concepts from ‘critical discursive psychology’ (Wetherell, 1998; Edley, 2001; Edley and Wetherell, 2008) the analysis encompassed both macro and micro elements. The analysis required in-depth knowledge of Japan’s cultural norms to delve into how subject positions were constructed and why. The analysis showed the Japanese males generally took up the position of the ‘breadwinner’ due to traditional familial expectations, whilst the Japanese females usually assumed the role of ‘homemaker’. Further, these positions were constructed as ‘bound masculinity’ and ‘unbound femininity’ meaning Japanese females were represented as having more freedom of choice about their future in comparison to males who were generally expected to provide for their family. This is a prime example of how critical discursive psychology shows how language can negatively and counterproductively convey an image of underrepresented groups.

Similar gender oriented research has considered men’s constructions of feminists stressing the importance of acknowledging fragmented and contradictory mode of representations within discourses (Edley and Wetherell, 2000). This research analyses the construction of feminists and focuses and the conflicting representations which emerged through group discussion. This shows how critical discursive psychology takes into account the complexity of controversial ideological fields and therefore appreciates how ideological dilemmas are dealt with discursively.
As there is a scarcity of welfare reform literature using critical discursive psychology it makes it necessary to draw from research concerning mental illness. Critical Discursive Psychology is used in Larsson et al’s (2012) study to challenge rhetorical constructions of mental illnesses. One investigation questioned the linguistic aspect of pathologies and deconstructed the discourse of diagnosis in patients with schizophrenia (Larsson et al. 2012). The discursive method allowed social and cultural interpretive repertoires and the organisation of talk to be discussed and analysed in relation to each other. Larsson et al’s study challenges the dominant discourses surrounding an underrepresented group using CDP which corresponds with the aims of the current research.

Gibson (2009) used Discursive Social Psychology to research how welfare benefits are characterized with a concern for ‘individual morality’. For example, how finding employment is a straightforward, simple task. This research is interesting because it addresses the common sense psychological assumptions underpinning New Labour’s welfare reforms. The data, a forum debating the questions ‘Is the welfare system working?’, showed people employing the repertoire ‘effortfulness’ in support of greater conditionality in welfare. The use of these underpinning assumptions suggests that the notion of individual responsibility is culturally entrenched. It is therefore pertinent to critically challenge the taken for granted ways those in power talk about welfare using CDP.

Despite the plentiful research into welfare reform and language use around this topic, there are gaps in this area where the finer, linguistic aspects or the wider contextual factors are neglected in the analysis. This is where Critical Discursive Psychology can provide an alternative perspective and develop our understanding of how and why constructions are
built in welfare reform speeches. The relevance of this approach is discussed in further
detail in the method rationale.
Methodological Rationale

Analysing political discourses enables an insight into the strategic, linguistic aspects of politics; political speeches are always an argument of some form and are often intrinsically persuasive of a broader issue (Finlayson and Martin, 2008). Political speech is a form of interaction which is a prime example of using language for a specific purpose. Such speeches highlight the functionality of language in presenting a situation or a state, but perhaps more importantly offers an opportunity to observe how situations or states are presented in an intended way (Bevir and Rhodes, 2003). Therefore the aim is to deconstruct the speeches, attempting to identify the perspective, how this is conveyed, and what tools are used in this process. It is important, at this point, to examine which approaches best facilitate accurate, comprehensive analysis of welfare reform discourse.

There are a huge variety of discourse analysis methods and many more developing as time passes; however with the purpose of examining political speeches and deconstructing the welfare reform and welfare recipients, several approaches will be considered which are underpinned by constructionist ontology (Frost, 2011). A constructionist approach is integral to this research as the aim is to investigate how the Conservative accounts of welfare recipients, the reforms, and the politicians involved are worked up through language. This differs from mainstream research methods because it challenges the acceptance of taken for granted assumptions (Frost, 2011).

Foucauldian discourse analysis (FDA) is derived from post-structuralism with the viewpoint that language constructs a cultural representation of reality; the analysis focuses on power, positions, knowledge, categories and their construction (Foucault, 1980). The core concern is with the subject positions and how peoples’ accounts are situated in wider, social, cultural
and political discourses. In this case, FDA is a viable approach to this topic as there are social categories such as Conservative, Labour, Liberal Democrat, working-class, millionaires, unemployed etc. which are actively drawn upon in political discourse concerning welfare and those who rely on it. The research would focus on subject positions: how the subjects (the Conservative politicians) position themselves. It is also a factor in FDA to examine how these positions are drawn upon to meet particular needs and to investigate how the discourses used achieve particular aims (Frost, 2011). Overall, this approach would focus on the accounts constructed with regards to the context.

Approaches which view language as constructed allow the process of construction itself and the function of various constructions to be analysed with regards to the context. In researching political discourses surrounding recent policy additions and change, the context includes factors such as political ideology, history of the various British parties where the welfare system is concerned, the current economic climate, and different approaches available specifically to welfare. This is because discursive features and British political context have relational meaning.

The benefit of FDA is the freedom to include broader social contexts when analysing the discourse which can further the understanding of the role language plays in power relations (Frost, 2011). In discourses surrounding welfare reform, FDA would consider the position the speaker takes up and where they place welfare recipients and ‘hard working people’ for example. This approach looks at a subjects’ position in language which can provide an insight into the ways a politician uses the context to their advantage and how this positioning could disadvantage others. Furthermore, FDA would challenge the notion of polarised positions: ‘skivers’ and ‘strivers’. The analysis would also question the facticity of claims made by the Conservatives; such as housing benefits currently being unsustainable.
Similarly, the rhetorical approach to discourse discusses the inherent, rhetorical features of opinion giving (Billig, 1991). For instance, how a particular view may be conveyed as unchallengeable or beyond controversy e.g. that Britain can no longer finance welfare: ‘We simply cannot afford to go on like this’ (Cameron, 2012). That fact is left unchallenged in political discourse. Due to the shared knowledge of the economic crisis, Cameron can claim that the budget cannot continue to support welfare to extent it has been doing. The advantage of Billig’s style of analysis is the emphasis of the argumentation which is intrinsic to political discourse (Finlayson and Martin, 2008). Mainstream methods tend to either disregard language or treat language as if it were based on categorizing the world. However, through language, people can reject categories. Language can be used to argue about categories. Humans are deeply rhetorical and central to thinking is the facility to negate (Billig, 2012).

Audiences could be more inclined to question the facticity of utterances in political discourse when equipped with a greater awareness of rhetorical strategies. Strategies such as drawing from cultural common values (‘rhetorical topoi’), presentation of perceived facts and positioning against counter positions capitalizes on natural variations and contradictions within and between subjects (Billig, 1991).

FDA’s approach is especially informative as it takes into account the historical and cultural context. However, top-down analysis of political speeches neglects the finer details of social discourse. There is a need to attend to the discursive practices employed within the speeches as well as the social and institutional practices being drawn upon (Wetherell, 1988).

Foucauldian analysis and post-structuralism greatly influenced Wetherell in her outlook on discourse as constructionists and therefore the two approaches share some central
principles (Wood and Kroger, 2000). Using Wetherell’s Critical Discursive Psychology to analyse political discourse surrounding the welfare reforms would emphasise the way politicians adapt their speeches according to the situation e.g. using different terms to construct the bedroom tax as a penalty for scroungers (under occupancy penalty) as opposed to a cruel measure against people in need (bedroom tax). Therefore CDP analyses both the resources and tools used by politicians to build and convey a version of welfare.

It is advised that CDP deals with naturally-occurring interactions as data (Potter and Edwards, 1992). The data used in this research is not spontaneously produced as the analysis is carried out on speeches written by several authors yet performed by one politician. Arguably, it would be extremely rare for a politician to discuss anything related to policy without planning or rehearsal. Further, the research would be greatly restricted if the analysis were limited to spontaneous casual political conversation, if there is such a thing.

The specialised way of speeches means that they are not representative of anything but themselves as they reflect essentialist categories about human behavior. Therefore the analysis and the findings are very specific to political speeches. This does not, however, mean that the data is not natural data, merely that it is natural in this particular setting. According to Edwards (1997), it is possible to naturalize any interactional phenomenon simply by treating it as ‘not out of place’. If there was a study on monkeys in the zoo, for instance, the findings cannot be generalised to monkeys in the wild but are still relevant and useful concerning monkeys in the zoo. This analysis would attend to the techniques and features which are localised and specialised in political speeches attending to the data at a micro level.

It has been suggested that the most micro-analytic way to approach discourse analysis is Conversation Analysis (CA) (Heritage, 1984; Antaki, 2007). As such, it may be useful to draw
on aspects of this method. Primarily, CA focuses on conversational interactions (Heritage and Goodwin, 1990), however it has to be stressed that CA is not just appropriate analysis for day to day, casual conversation but any talk in interaction (Schegloff, 1998). CA is always expanding to incorporate a more varied selection of discourses to consider including speeches (Wood and Kroger, 2000).

The issue with applying CA to data such as speeches is that many of the structures CA identifies such as turn taking do not apply in the case on unidirectional language e.g. a speaker to an audience. This does not mean, however, that political speeches are not interactional. When Conservative politicians deliver speeches about housing benefit, welfare reform and the economy there exists contradictions and challenges within. This means that their utterances must not be analysed as isolated discourses. With the increasing use of CA in an assortment of discursive modes there has also been greater attention to linguistic structures and features which have the potential to aid politicians in composing and delivering an effective speech in public (Atkinson, 1984).

The fact that the approaches discussed here are sensitive to linguistics in spite of their origin suggests that including some aspects of CA in this research would be beneficial in deconstructing welfare reform discourse. CA analyses discourses by highlighting the possible effects of techniques such as ‘clap traps’, list of threes, contrastive pairs, emotive language, inclusive and exclusive pronouns. The identification of linguistic tools in political speeches can illuminate powerful regularities within political communication (Atkinson, 1984). The resources which can regularly be seen in political communication contribute to the makings of effective performances.
Certain speeches and speakers have more success in receiving applause from an audience or creating a memorable quote which is important when trying to get an audience or the public ‘on side’. Further, this type of analysis considers the potential of greater awareness of rhetorical devices as a possible means to reducing audience susceptibility thus resulting in more serious consideration of the meaning in political discourse. It is for this reason that this research will incorporate elements of CA in order to examine the tools used to convey constructions.

The approaches mentioned previously can be criticised as being inattentive to aspects of the subject being researched. The construction of top-down or bottom-up approaches as a choice actually inhibits the range and potential of analysis because there is also the option of integrating the two. Therefore a synthesis of the two as seen in Critical Discursive Psychology (Edley, 2001; Edley and Wetherell, 2000; Reynold and Wetherell, 2003) would encompass the relevant, broad context surrounding the introduction of the policies as well as the finer linguistic details involved in the discourses.

Research which bases its analysis on both a macro and micro level has successfully highlighted forms of discourse, social representations and social practices that constitute unequal power relations (Edley and Wetherell, 2000). This type of analysis has the advantage of analysing how accounts are produced through language and the representations which are used in everyday discourse (discursive resources) alongside the process of constructing social inequalities (discursive processes). The findings then can be used to challenge cultural representations of people who receive social security payments and also the unemployed.
This is achieved by an examination of social positions available to politicians and the public and how these are located through discourse; considerations of which representations are accepted or dominant at this time in Britain; an understanding of the role of historical and cultural contexts and how these may limit or provide resources available to Conservative leaders to draw on in their speeches. The broad contextual knowledge can then inform the analysis of discursive resources employed within the speeches, how these resources are put to use and what they achieve: justification, blame and understanding (Frost, 2011).

The social positions may vary for each political speech since politicians will draw from a particular repertoire more than others due to unique social positions (e.g. the welfare minister) and this will affect the constructed versions of welfare reform (Reynolds and Wetherell, 2003). This is beneficial to the current research because the analysis can compare and contrast which repertoires are used by Cameron and other Conservative politicians and thereby discuss the functionality of the interpretive repertoires in the discourse. Ideological dilemmas are flexible rhetorical resources which can interpret situations through discourse and work as winning arguments; interpretive repertoires are commonly used, cultural resources which are drawn upon to convey a version of actions or events; subject positions which are taken up and given to individuals or groups which aid their argument (Edley, 2001). These will be discussed in more detail in the next section.

As such CDP is primarily used in this study to gauge a comprehensive understanding of the political background, the broad social and cultural representations which the speeches draw upon (Wetherell, 1988). CDP also includes analysis of the detailed discursive practices: the rhetorical and interactional consequences of the political context. These will be identified
and their function determined with regards to the welfare reforms (Edley and Wetherell, 2000).

It would be wise to take a pragmatic approach that selectively draws upon CA and Billig’s rhetorical view to ensure a more global analysis. Wetherell (1998) stresses the value of integrative concepts when studying discourse as a practical, social activity, located in settings, occurring between people and used in practices such as political speeches. There are, of course, those who argue against this position they claim that it is not for the researcher to interpret the world but to interpret what has already been interpreted by the subject (Schegloff, 1997). In this case, the issue would be that the analysis of the speeches alone is of importance, the interpretation of the politicians is to be studied and anything more would be seen as the analyst enforcing their views on the world over the subjects’ view (Wetherell, 2007). In other words, the speeches would be analyzed in such a way that the discourses are isolated from the context. However this is an unnecessary restriction and would have an adverse effect on discursive research by narrowing and simplifying the analysis (Wetherell, 2007).

This research aims to make use of the productive engagement between critical discursive psychology and the construction of representations concerned with welfare reform to offer an alternate and more critical perspective on the relationship between class, language and power (Weatherall, 2012). Rather than looking at class differences in language use and style, the research question addresses the construction of these social categories such as benefit claimants and the working class. There is a particular concern with prejudice which the research aims to deal with by challenging the ‘taken for granted’ representation of benefit claimants as constructed by Conservative politicians.
Similar representations of disempowered groups have been addressed with regards to racial prejudice by documenting discursive and rhetorical features in race discourse (Augoustinos and Every, 2010; Wetherell and Potter, 1992). Other research has focused on gender discourse, considering the construct of feminists (Edley and Wetherell, 2000; Weatherall, 2012); the single identity (Reynolds and Wetherell, 2003) and gender differences (Riley, 2002; Wetherell, Stiven and Potter, 1987). These discursive investigations ask how these socially constructed categories are built and how these constructions can create inequalities. Similarly this dissertation focuses on the prejudices and inequalities surrounding benefit claimants regarding the introduction of new welfare policies by examining the local and occasioned category descriptions in political speeches.

Political speeches are argumentative discourses: highly motivated and functional (Finlayson, 2008). The discourse analytic perspective of prejudicial representations shows how language simultaneously constructs and evaluates the objects described (Potter and Wetherell, 1987; Weatherall, 2012). As such, a discursive analysis is particularly adept at investigating inequalities created in anti-welfare discourses resulting in constructed, socially situated knowledge. Critical Discursive Psychology (CDP) in particular deals with the constitutive aspects of language and enables a more comprehensive examination of discourse surrounding the welfare reforms by identifying discursive representations and how constructs are delivered in the speeches.

This research will report both the interpretive repertoires across the sample of political speeches but also attend to the detail of particular constructions of the welfare reform and those affected by the measure. To address the detailed rhetorical components in welfare
discourses the analysis will include the linguistic features such as: emotive language, syntactical arrangement, anecdotal evidence to investigate the process of construction.
Analytic Concepts

Before developing an analytic procedure, the theoretical framework ought to be discussed. The analysis is conducted using a synthesised, global analytic method combining top-down and bottom-up approaches: Critical Discursive Psychology (CDP) (Edwards and Potter, 1992; Harre and Gillet, 1994; Potter and Wetherell, 1987). CDP derives from an eclectic mix of analytic influences but primarily draws upon Potter and Wetherell’s (1987) work. This work focused on the use of discourse in the constructions of descriptions, explanations of events and actions; social categorisations and identity work. This work was inspired by a mix of linguistics, post-structuralism, ethnomethodology and social psychology.

A discursive approach assumes, firstly, that all language is a social action (Edwards and Potter, 1992); purposeful rather than merely reflecting reality. Secondly, hegemonic cultural representations can construct inequalities and as a result have social consequences. This concept challenges dominant truths which are taken for granted (Foucault, 1980). Lastly, a discursive approach accepts the notion that micro-processes produce social order in interaction. The micro-processes are able to highlight how people use talk as a social action (Edwards and Potter, 1992; Garfinkel, 1967).

Key examples of CDP use include Reynolds and Wetherell’s (2003) research which examined the ways in which women deal with dilemmas contained within the polarized discourses of ‘singleness’. Edley and Wetherell’s (2000) work on feminism highlighted how discursive resources can be manipulated and exploited to construct feminist activities as ‘extreme’. This research will consider how discursive resources are manipulated and constructed to cast welfare recipients in a negative light. The analysis will investigate how Conservative politicians construct benefit claimants within bedroom tax discourse; it aims to highlight
inequalities created in constructed representations and give disempowered groups a voice (Bhavnani, 1990).

An integrative top-down and bottom-up approach means the analysis is more comprehensive attending to both the discursive resources and processes used in social practices like political speeches (Wetherell, 1988). The speeches will be analysed in their immediate contexts with regards to the local organisation of talk, but also within the broader, social and cultural context. Specifically, in this research, a discursive perspective asks how the social world and the subjects identities are produced within welfare reform discourse; how do Conservative politicians explain their motives for reform.

The key concepts used in this study are: interpretive repertoires, subject positions and ideological dilemmas (Edley and Wetherell, 2000). These are outlined in more detail below.

**Interpretive repertoires** are the recognizable routines of argument stemming from common knowledge, cultural ideas, social explanations which are widely understood and drawn upon when speaking about aspects of the social world. They are the taken for granted ways of talking about welfare e.g. ‘on benefits’ is a naturalized phrase in the discourses. According to Potter and Wetherell (1987), an interpretive repertoire is a familiar series of arguments, descriptions and evaluations. They are often distinguished by utterances comprising of clichés, figurative language, cultural topoi and characterizations of actors and situations (Reynolds and Wetherell, 2003). Interpretive repertoires are used by everyone to support arguments, explanations and accounts (Potter and Wetherell, 1987).

**Ideological dilemmas** occur because the common knowledge, cultural ideas and social explanations which produce interpretive repertoires are not consistent or rigid but are fluid
and full of contradictions (Billig, 1988). Ideological force of discourse depends particularly on contradiction, dilemma and complex multi-faceted rhetorical positions and directions (Edley and Wetherell, 2000). Therefore it can be expected that beliefs, values, explanations and interpretations may vary because people use these ‘flexible rhetorical resources’ to put forth winning arguments (Edley, 2001; Reynold and Wetherell, 2003). CDP examines the common sense resources which make up ‘interpretive repertoires’ to show how people build arguments and create counter arguments.

**Subject positions** are used whilst attempting to put forth a winning argument: subjects strategically position themselves and are positioned within the discourse. In CDP identities are fluid and constantly changing and therefore who a person is can change depending on the positions available through discourses (Davies and Harré, 1990). The positions available are provided and limited by historical and cultural context, and speakers can actively choose their subject positions in a particular social interaction. Furthermore speakers can also position others within welfare discourse and give them roles and rights depending on what is culturally available (Reynolds and Wetherell, 2003).

A further facet of analysis used in this paper is epistemologically rooted in linguistics by focusing on the language, rhetoric and argumentation of political and policy discourse in its governmental context (Finalyson, 2004). Identifying rhetorical features used in politicians’ bedroom tax discourse highlights the mechanisms and micro processes of delivering a convincing, persuasive speech (Hajer and Versteeg, 2005). It is not merely a matter of pointing out rhetorical features but also looking at the context in which they are used and their modality (Amelia et al. 2006). The key to this part of the analysis is identification and understanding of rhetoric which will highlight the argumentative, social aspects of thought.
and opinion (Billig, 1987). Moreover attention to rhetorical detail enriches understanding of political strategy (Finlayson, 2007). This rhetorical analysis supplements the CDP approach by providing finer details when looking particularly aspects which make the delivery of speeches effective.

As a final step to ensure a measure of validity in the analysis and conclusion reflexivity will be considered because this dissertation is itself a construction. This will ensure that my position in the research is clear and by explaining my position I can acknowledge, discuss and label my values to consider how these could shape any conclusions I draw from the analysis (Reinharz, 1983). I will consider my reasons for researching welfare reform, record my thoughts during the process and regard the findings reflexively. Rather than simply being a ‘certified deconstructor’ I am accountable for my interpretations of political welfare reform discourse (Jackson, 1992).
Analytic Procedure

The analysis began once a data file was built containing all political speeches pertaining to the welfare reforms between 2010 and 2014. The speeches were chosen due to their relevance and the position of the speakers as leading Conservative politicians who are engaged in welfare reform. Initially, the speeches were surveyed without in-depth analysis but simply as a listener to consider the initial affect the language could have on an audience. The most relevant speeches were then chosen for a more detailed analysis: Iain Duncan Smith’s ‘Welfare for the 21st Century’ (2010), George Osborne’s Party Conference speech (2013), David Cameron’s ‘Welfare speech’ (2012), Osborne’s ‘Benefits speech’ (2013), Cameron’s Party Conference speech (2013), Duncan Smith’s Party Conference speech (2013) and Cameron’s ‘Welfare speech’ (2011). The speeches were then analysed separately before the general analysis on the global patterns across the collective data attended to the regularities and patterns in politicians’ talk of benefit claimants. Following this, reoccurring features were identified and checked as to whether these were consistent and meaningful throughout the data. This was the critical primary evidence and aided in finding patterns, inconsistencies and counter-examples within the sample.

The search for patterns was informed by the three concepts previously mentioned: interpretive repertoires, ideological dilemmas and subject positions (Reynolds and Wetherell, 2003). Data extracts were used to identify the main discourses that the politicians drew on in their talk, to demonstrate the pervasive patterns and clarify shared flexible resources used when talking about the bedroom tax (Edley and Wetherell, 2000). As well as reporting all of the different repertoires, and subject positions, concerning welfare reform discourse, this research also asked how these discourse resources were used as
social actions e.g. to condemn people who receive welfare payments. The inconsistencies and contradictions within bedroom tax discourse were identified to find out if and where ideological dilemmas arise. Discussing marginalized social categories such as class often involves managing denigrated and idealized categories at the same time (Reynolds and Wetherell, 2003). As such, the analysis highlighted the techniques used by politicians to manage the polarized ideological space to put forth winning arguments (Edley, 2001; Reynolds and Wetherell, 2003).

Subsequent to the acknowledgement of the interpretive repertoires, subject positions and ideological dilemmas the analysis turned to the rhetorical features and their function within bedroom tax discourse. The features which were explored as rhetorical devices include: metaphors, modal verbs, rhetorical questions, temporal nouns, lists of three, emotive language and pragmatic comments (Amelia et al, 2006). The list is not exhaustive but the analysis will focus on the particular rhetorical linguistic tools which aid in the construction of interpretive repertoires.

The analysis highlighted the discursive resources which are available, how social reality and subjectivity are represented using these alongside the constitutive aspect of how these make a winning argument. More importantly the analysis answers the question of which constructions are more dominant in the political discourse concerning welfare reforms. The conclusion discusses how subjects are positioned in the topic and how the positions are used to empower or disempower people, groups and social categories. At this point the dissertation critically addressed any ideological and interactional consequences of its findings in a broad cultural context asking whether the political discourse constructs social
inequalities and the process of construction (Edley, 2001). This process addressed the question: How are the UK’s welfare reforms constructed by Conservative politicians?

The reflexive analysis began by delving into why I chose to research the particular topic of the cuts and reforms thereby clarifying my position in the research to bolster transparency and quality (Finlay and Gough, 2003). I kept a reflexive journal regarding my views on relevant news I heard, and to record my personal experiences and thoughts I had throughout the development of the analysis. I continually reflected on the process and initial analyses and explored possible alternative interpretations (Alvesson, 2002). The research process was carried out understanding that my history, experiences, beliefs and culture may have an impact on the analysis (Etherington, 2004). I also discussed how my language might have constructed representations of the situation, social categories or individuals involved to address the situated manner of this research (Finlay and Gough, 2003). My thought and experiences throughout the research and their implications are discussed in the Reflexive Analysis section of the dissertation which follows the Analysis section below.
Analysis

Across the speeches, pervasive patterns emerged. Four repertoires were apparent, but two opposing interpretive repertoires were distinguished in the speeches regarding welfare. These repertoires were contrasting and appeared to be competing with one another. The repertoires which Conservative leaders drew upon in welfare reform discourse are as follows:

1. 
   - Welfare recipients as victims
   - Welfare recipients as abusers

2. 
   - Reform as fairness
   - Reform as opportunity

The opposing fashion of the repertoires is dilemmatic because they portray benefit recipients as people who either need help or need to be punished. As the polarised repertoires compete to win the argument for reform, the construction of benefit recipients is re-negotiated again and again. The dualistic repertoires are deployed to work up a ‘winning argument’ for reform by offering the audience two differing versions of reality with which they may identify (Edley, 2001). The ideological dilemmas which arise in these speeches build on the argument for welfare reform and counter alternative constructions of reality, e.g. welfare reform as an unnecessarily punitive measure. Each repertoire will be discussed individually before analysing the construction of the repertoires combined and their social implications.
Benefit Recipients as Victims

In the following quotations from the political speeches that were analysed, the first repertoire conveys benefit recipients as victims constructs welfare as a debilitating trap. In other words, the welfare system offers too many incentives which encourage ‘worklessness’. The Conservative party leaders are rehearsing this part of a routine argument within their speeches where benefit recipients are released from responsibility and constructed as objects to be pitied i.e. ‘the real fault lies within the system itself’. The victim repertoire is used in descriptions of people who are financially better off out of work due to lack of quality jobs. As Roberts (2014) explains, people from the working-class backgrounds are often forced to choose between a poorly paid job or no job at all. Although there are in-work benefits for those on low wages or unable to obtain full hours, these are not referred to in the speeches. The out of work benefit recipients are portrayed as victims of the system as instanced in Extract 1:

A system that was originally designed to support the poorest in society is now trapping them in the very condition it was supposed to alleviate. Instead of helping, a deeply unfair benefits system too often writes people off. The proportion of people parked on inactive benefits has almost tripled in the past 30 years to 41% of the inactive working age population. Some of these people haven’t been employed for years. (Duncan Smith, 2010)

In this extract, Iain Duncan Smith presents the case for Welfare Reform by positioning welfare recipients as victims by referring to the system of welfare as a trap for the ‘poorest in society’. According to Verhoeven and Tonkens (2013) blaming the government and legitimizing negative feelings towards the government is part of ‘empowerment talk’ which
is emotionally appealing to citizens. The victim repertoire empowers people into active citizenship. This can be seen in Conservative discourse: ‘Helping people walk taller’ (Cameron, 2012). Personal responsibility for one’s health, finances and employability is constructed as something to be proud of, whereas being on unemployment benefits is described as being ‘written off’.

The portrayal of benefit recipients as victims is a relatively unfamiliar narrative; in the victim repertoire the reforms are strongly linked to alleviating poverty, supporting the poorest in society and helping people in to employment. Drawing on the construction of a poverty trap and describing welfare recipients as ‘written-off’ puts them in a passive position: ‘haven’t been employed’ rather than ‘haven’t got a job’. The passivity of the discourse works on several levels. Firstly, Duncan Smith is seen to be sympathetic to the difficulties of returning to work by placing the blame on the system. Finlayson (2007) claims that this technique encourages the audience to identify with the speaker. Welfare recipients are conveyed as victims in need of help which covertly constructs the Conservatives as a party committed to helping the most vulnerable. A sympathetic approach engages the audience emotionally and creates a more open, supportive disposition to Duncan Smith’s claims that the system needs to change.

To illustrate and clarify the argument that welfare keeps people out of work, Iain Duncan Smith has used statistical figures: ‘The proportion of people parked on inactive benefits has almost tripled in the past 30 years to 41% of the inactive working age population.’ Statistics work to bolster the idea that a poverty trap exists as an audience is more likely to trust figures than a politician’s opinion i.e. ‘a deeply unfair benefit system too often writes people off’. Statistics appeal to the reason of an audience by providing logical justifications
The rhetorical device employed by Duncan Smith is generally known as ‘logos’. Logos is the use of reasoning to appeal to those concerned with logical justifications (Finlayson, 2007). Quantifiable data has the advantage of supporting claims by emphasizing a problem and solution or a positive and negative which the audience may ‘buy into’ (Crines, 2013). Extract 1 demonstrates Duncan Smith communicating that the problem is inactive benefits and the solution is reducing payments to encourage employment. However these statistics do not necessitate welfare reform: the growth in claimants and expenditure merely reflects the impact of the economic downturn (Diacon, 2010). This is an important point because the Conservative-led coalition began the unprecedented austerity drive under the auspices of deficit reduction after the global financial crisis. It seems to have been a convenient ideological cover for far-reaching, market-driven restructuring of social welfare policy (Hodkinson and Robbins, 2013).

The victim repertoire is worked up through language by using the superlative ‘poorest’ as an extreme case formulation. Extreme case formulations, according to Pomerantz (1986), are expressions where their extremity seeks to legitimize claims. In this example, ‘poorest’ is employed to emphasize the vulnerability of welfare recipients and thereby validates the victim repertoire. It is this subject position of ‘poorest’ regarding benefit recipients that constructs Universal Credit as a positive, supportive system and helps create a winning argument for change.

In spite of the initial focus of Conservative politicians on the benefits that reform will bring to the most vulnerable in society, the reforms have affected disabled people, the elderly, single parents, those who receive in-work benefits. Hodkinson and Robbins (2013) suggest that not only does the new welfare system fail to protect the poorest and most vulnerable;
it has negatively affected them and will almost certainly swell their numbers. Unfortunately, despite claims about a sympathetic, caring Conservative Party’s agenda, a report titled ‘Responsible Reform’ was published whereby the proposed Personal Independence Payments (PIP) was found to be unnecessary and unwanted by disabled and sick people. In addition, the evidence used to support this reform in Parliament was found to be inadequate and the report suggests the evidence gives a distorted view. In fact, Institute for Fiscal Studies (2013) described the welfare cuts as clearly not progressive and in 2010 claimed that on average they affected the poorest households more than those in the upper or middle ranges of the income distribution in cash let alone percentage terms.

Regarding in work benefits, however, the New Policy Institute (2013) states that there are more people in working families living below the poverty line than unemployed and retired families combined since the introduction of Universal Credit. The increase is due to the cost of living crisis causing working families to suffer a sustained and unprecedented fall in their living standards (Independent, 2014). This suggests that there is a disjuncture between the discourse and reality. These figures show that the real concern is actually a lack of stability in employment due to low pay and a lack of protection for workers (Joseph Rowntree Foundation, 2013), rather than worklessness as the discourse suggests. The new system, Universal Credit, is intended to ease the transition from benefits into paid work by ensuring that there is a clear financial advantage to labour market participation even for those who may only be able to work a few hours because of disability or for some other ‘legitimate’ reason (Page, 2010). Labour market participation in the current economic climate does not, however, necessarily lead to economic independence. These reforms intended to restore independence and freedom to individuals are punitive measures which force the
unemployed into an unstable labour market. The prevalence of zero hour contracts is a prime example of employment without quality (The Independent, 2014). In other words, this approach is all stick and no carrot.

Duncan Smith mentions that ‘Some of these people haven’t been employed for years’. He fails, however, to mention the growing number of people living on incomes below the value of out-of-work benefits who are, nevertheless, in very deep poverty. The fact that there are 6.7 million working families in poverty compared to 6.3 million out of work families suggests that the policy focus should be reconsidered to truly tackle poverty. Rather than attending to the issue of social mobility by improving the position of those at the bottom, the discourse constructs a moral imperative to reduce state hand-outs to the poorest in society. In the extract Duncan Smith claims that reducing hand outs prevents people becoming trapped in a situation where they are dependent on welfare. Further, the discourse claims that welfare dependency erodes personal and social responsibility and destroys individual agency and moral autonomy (Bamfield, 2012). The victim repertoire places the blame on the welfare system thereby justifying the reforms. The reforms, however, do not address the lack of social mobility caused by lack of stable jobs and a low minimum wage (JRF, 2012).

Benefit Recipients as Abusers

The second globally recurrent interpretive repertoire draws on a contrasting cultural topos where benefit recipients are constructed as abusers, but with the same purpose of justifying the welfare reforms. In the speeches, this repertoire revolved around individual rights and responsibilities and the perceived imbalance of these among benefit recipients e.g. ‘owed something for nothing’. This repertoire drew on the shared, social understanding of a culture of entitlement. A culture of entitlement refers to the notion that individuals who
receive benefits feel they have an automatic right to support, that they are getting ‘something for nothing’, that they are in fact abusing the system. The culture of entitlement repertoire can be seen in Extract 2:

What these examples show is that we have, in some ways, created a welfare gap in this country between those living long-term in the welfare system and those outside it. Those within it grow up with a series of expectations: you can have a home of your own, the state will support you whatever decisions you make, you will always be able to take out no matter what you put in. This has sent out some incredibly damaging signals. That it pays not to work. That you are owed something for nothing. It gave us millions of working-age people sitting at home on benefits even before the recession hit. It created a culture of entitlement. And it has led to huge resentment amongst those who pay into the system, because they feel that what they’re having to work hard for, others are getting without having to put in the effort. (Cameron, 2012)

Here, Cameron paints a picture of welfare recipients who take from the system and do not to put anything back in: ‘others are getting without having to put in the effort’. More importantly, welfare recipients are described as expecting unconditional support and feeling entitled to it. Further, seeking financial support is portrayed as a choice rather than a last resort: ‘the state will support you whatever decisions you make’. For many benefit recipients, this is not the case, there may be little choice due to lack of available employment or childcare facilities. This conveyed version of the situation is significantly different to the construction of welfare recipients as passive victims of the system who are trapped in poverty.
Although the system has been blamed, the fault lies with those at the bottom of the class system: ‘…others are getting without having to put in the effort’. The abuser repertoire justifies the radical reforms in welfare particularly the controversial, punitive cuts by arguing that individuals receiving benefits abuse the system as such do not deserve support. The interpretive repertoire does not acknowledge stay-at-home parents, those without qualifications or disabled people. These categories of people may not pay into the system and therefore the abuser repertoire tars all with the same brush. Overall, the abuser repertoire does not take in consideration the structural and institutional inequalities which prevent social mobility. The focus on welfare actually diverts attention away from these issues (Slater, 2012). These inequalities include the varying levels of availability and quality of work from region to region (Joseph Rowntree Foundation, 2012).

Interestingly, Cameron suggests that as a direct result of the policies of the previous government, Labour ‘created a welfare gap in this country between those living long-term in the welfare system and those outside it’. The notion of this particular structural inequality, a welfare gap, distracts from economic inequalities between the ultra-wealthy and working class. It also pre-emptively seeks to defend the policy against arguments for an egalitarian approach of income distribution which is consistent with what one would expect from a Conservative perspective. Referring to a welfare gap and the ‘huge resentment’ it allegedly causes constructs a division between ‘hard working’ people and, by inference, ‘lazy’ people. Simply by mentioning people who work hard and ‘pay into the system’, the audience can pragmatically assume those who are not earning do not work hard. Categories, such as these, can be used in politics to construct specific group identities (Hopkins and Kahani-
Hopkins, 2009). They also function to legitimise and gain support for a collective cause and result in social action, in this case to justify radical welfare reforms.

The repertoire constructing benefit recipients as abusers is also used to validate the emphasis the Conservative Party have regularly put on the relationship between welfare and the economy. Conservative politicians have used financial figures to demonstrate the onerous cost of welfare: ‘...it stands at £87 billion’ (Duncan Smith, 2010). The outcome of this is that welfare cuts and reforms are linked with economic growth. This discursive construction essentially uses the welfare system and those within it as an explanation for the lack of momentum in economic growth since 2010. Across the speeches there is also an emphasis on Britain’s place in the world economy, in particular, the effect long term unemployment has on growth: ‘We’re facing more and more competition from vast new economies like China and India’...’But we aren’t going to be able to compete if politicians waste your money or we rack up debts we can’t afford to pay off’ (Osborne, 2013).

Regarding the link constructed between benefits and Britain’s economic issues, it is pertinent to ask what the actual problem is. Welfare did not cause the economic crisis and more importantly, the proportion of tax revenues spent on welfare has remained fairly stable since 1993 (Joint Public Issues, 2013). As such, why is the blame for the deficit placed on the poorest in society? If the problem is the economy, then the main issue is stagnant growth. The focus should be investment which aims to stimulate the economy. Speeches from Conservative Party leaders, instead, use benefits as a scapegoat and in doing so portray the economy simplistically. The economy is described very much like a pot, where people put in and take out. The representation of a two-way economy in the data distinguishes between ‘those who put in’ and ‘those who don’t’. The economy is obviously
much more complex but the crude representation of a pot functions well within this type of
discourse. In speeches, the way a message is packaged and delivered can hugely effect how
an audience receives it. Short and simple representations make for a more accessible
message (Atkinson, 1984).

Slater (2012) suggests one of the consequences of this discourse is the exploitation of public
doubt or lack of knowledge. The causes of economic downfall, poverty and inequality are
unclear due to oversimplification of complex political and economic shifts over time into a
series of discursive catchphrases such as: ‘culture of entitlement’. These catchphrases build
a discursive field which constructs a situation where those in employment and those out of
employment are divided.

The distinction between the two detracts from the actual economic problem and displaces
responsibility from the government (or onto the previous government). The economic
problem is constructed as a social problem by shifting the focus onto welfare and those on
benefits. The idea that welfare is significantly linked to the current state of the economy and
that reform is a necessity has evolved into taken for granted facts: ‘We simply cannot afford
to go on like this’ (Cameron, 2012), ‘Building that society is simply not possible without
radically reforming welfare’ (Cameron, 2012). Conveyed in this concise way, using the words
‘simply’, these claims seem like indisputable, common sense truths. This discourse
encourages a ‘fiscal panic’ which fosters a desperate times-desperate measures mentality
and thus attempts to makes an audience more receptive to the radical reforms in welfare
spending and policies.

In reality, government spending could be reduced elsewhere or, indeed, revenue increased.
There are other avenues which can be explored such as a reduction in the defence budget,
for increased taxation of the ultra-wealthy, a crackdown on tax evasion. Other questions need to be asked such as: do MPs really need a pay rise? The abuser repertoire needs to be challenged in order to question the necessity of welfare reform and to encourage the consideration of alternative approaches.

Cameron’s speech draws from both victim and abuser repertoires simultaneously portraying people on benefits as objects to be both pitied and resented. Despite the relationship constructed between welfare and the economy, it is important to note that it is the ideologically driven moral arguments which are predominantly used to win support for reform (Atkins, 2010). Perhaps this is due to the ease with which the British public relate to the moral belief structure behind the policies compared to the actual economic rationale.

Extract 3 is a prime example of using the moral belief structure to validate reduction of the welfare state. Here, Cameron paints a picture of a benefits culture where people actively decide not to work despite being able.

Extract 3:

The benefit system has created a benefit culture. It doesn't just allow people to act irresponsibly, but often actively encourages them to do so. Sometimes they deliberately follow the signals that are sent out. Other times, they hazily follow them, trapped in a fog of dependency. But either way, whether it's the sheer complexity and the perverse incentives of the benefits system, whether it's the failure to penalize those who choose to live off the hard work of others, or whether it's the failure to offer the right support for people who are desperate to go back into
work, we’ve created the bizarre situation where time and again the rational thing for people to do is, quite clearly, the wrong thing to do. (Cameron, 2011)

The abuser repertoire presented here is more elaborately constructed alongside the repertoire of poverty trap victims. Although Cameron acknowledges the role the system has played in creating a culture of entitlement: ‘fog of dependency’, the main impression from this extract is that receiving benefits is a reprehensible option: ‘the wrong thing to do’. Indeed, Cameron’s discourse almost criminalizes those receiving financial support: ‘failure to penalize’. The blame is being placed on the government for not creating a simple, stricter system which draws upon the victim repertoire. The discourse does not construct people on benefits as free from culpability, however. They are still charged with wrongly and irresponsibly receiving financial support which they are not entitled to: ‘those who choose to live off the hard work of others’. This construction does not take into account the recession, the lack of quality jobs available or the genuine need for support.

These speeches draw on the outdated, Victorian notion of a deserving and undeserving poor. Applebaum (2011) describes how people in society distinguish between the two and stresses how Conservative policies are more amenable when people attribute responsibility to the individual. In Extract 4, the Conservative party’s role is presented as almost paternal whereby they are morally obliged to discourage dependency.

Extract 4:

‘Think about it: with your children, would you dream of just leaving them to their own devices, not getting a job, not training, nothing? No – you’d nag and push and
guide [them] and do anything to get them on their way...and so must we.’ (Cameron, 2013)

By doling out support and discipline to encourage unemployed people to return to work it suggests the Conservative leaders do not believe benefit recipients are able or willing to return to work without incentive. David Cameron uses the subject positions of parent and child to aid his argument. The positioning evident here is a rhetorical device referred to as ‘ethos’. The character of the speaker can influence the audience and their reactions to specific rhetorical devices (Crines, 2013). In the previous extract, David Cameron is making implicit claims to authority using the subject position of a parent figure (Finlayson, 2007).

Significantly, Thompson (1984) identified 3 main ways in which discourse contributes to important ideological consequences: the presentation of a situation of domination and exploitation as legitimate, the masking of these situations and the reifying of current social relationships as natural or essential. In this instance, the discourse legitimizes the paternalist neoliberal position the Conservative leaders have assumed and conveys this as an imperative (Wacquant, 2009). Further, the discourse of conditionality justifies the extent to which the new welfare measures control those receiving benefits and construct the receipt of welfare payments as a privilege.

At this point it is worth calling attention to the semantic field within the speeches made by Conservative Party leaders. The word ‘benefit’, for instance, when used out of context is originally a positive word. The word ‘benefit’ would imply that people receiving benefits have an advantage or have gained something over those who are not. In the context of welfare, where benefits are linked with working-class resentment, the word has taken on a negative connotation. This pejoration is also evident in television programmes which
associate welfare recipients with an easy, irresponsible life e.g. ‘On Benefits and Proud’, ‘We All Pay Your Benefits’ and more recently ‘Benefits Street’. Many people associate the term ‘benefits’ with the notion of a culture of entitlement, people getting something for nothing, a deeply unfair welfare system. Due to the pragmatics of the word ‘benefits’, the word in itself is a powerful tool in constructing the abuser repertoire among politicians, tabloid press and the public.

The then Labour government introduced surprisingly stringent reforms by the beginning of the new millennium thereby claiming a kind of ownership over welfare as a policy area (Ross, 2013). Petrocik (1996) introduced the concept of issue ownership whereby parties ‘own’ issues based on long-term records of leadership, discourse and problem solving in a given policy area. Although often negative, media attention to the welfare reforms spurred debates in political and public discourse. Political leaders actually enjoy this focus on ‘their issues’ as it increases their advantage in these policy areas and increases the legitimacy of their claim to ownership of a particular issue (Hayes, 2005).

This ownership helps to validate the claims made about the sustainability of the previous welfare system in the following extract. The sustainability is discursively challenged with regards to the ‘Global Race’. The next extract implies that it is in the nation’s interest to reduce welfare spending and continue with a programme of austerity. The coalition members generally refer to national interest broadly meaning growth of capital, promotion of ‘wealth creation’ and enabling social mobility (Crines, 2013).
Extract 5:

On my first night as Prime Minister, I said we would build a more responsible society. Where we back those who work hard and do the right thing. Where we look after the elderly and frail. Where – as I put it – those who can, should; and those who can’t, we will always help. Building that society is simply not possible without radically reforming welfare. Today, almost one pound in every three spent by the Government goes on welfare. In a world of fierce competitiveness – a world where no-one is owed a living – we need to have a welfare system that the country can properly afford. The system we inherited was not only unaffordable. It also trapped people in poverty and encouraged irresponsibility. So we set to work. (Cameron, 2012)

It is clear in this extract, that Cameron presents radical welfare reform as the only choice for a ‘responsible society’. The notion that a more responsible society is needed is a taken for granted truth in this extract. As the cliché of a responsible society is firmly entrenched in the repertoire of entitlement drawn upon throughout welfare reform discourse, it is familiar to much of the British public. Similarly, when addressing other issues such as the London riots, Cameron invoked terms like responsibility and social justice which are deeply embedded in a more general Conservative ideology: We need a sense of social responsibility at the heart of every community (Cameron, 2011). Using interpretive repertoires in speeches often requires a mere fragment of the series for the audience to recognise the routine that is developing. A fragment will suffice as an adequate reference due to the shared social consensus behind interpretive repertoires (Edley and Wetherell, 2000). Therefore, Cameron does not need to
elaborate on what ‘irresponsibility’ means nor why Britain needs a more responsible society at this point in the speech.

Cameron does, however, list the features that make a more responsible society. He does this using a comprehensive three-part list which, according to Atkinson (1984), creates an air of completeness: ‘Where we back those who work hard and do the right thing. Where we look after the elderly and frail. Where – as I put it – those who can, should; and those who can’t, we will always help.’ Lists of two often seem inadequate in conveying a message particularly a message about an abstract idea like how to build more responsible society. Lists of three help to solidify, underline and amplify Cameron’s expressed view that support should be exclusively for the named groups. Simultaneously, the list addresses counter arguments against welfare reform; namely, the risk of decreasing living standards for disabled and elderly: ‘Where we look after the elderly and frail’.

Further, the syntactical arrangement of the last point is powerfully organised: ‘those who can, should; and those who can’t, we will always help’. The concise contrast seen here coupled with anaphoric syntactical arrangement has the ability to become a conclusive, memorable sentence which can then be repeated by those sharing Cameron’s expressed views. It is a well-balanced two part structure where both parts are similar in content and length creating a memorable, almost rhythmic utterance increasing its ‘quotability’ (Atkinson, 1984). The fact that this is an entirely derivative phrase hints that ‘quotability’ is indeed the intention.

In several utterances across the data, welfare is described as being inextricably linked to the UK’s economic downfall: ‘you can’t divorce welfare spending from the economy, for welfare costs more than a quarter of all government expenditure’ (Duncan Smith, 2013). The fiscal
and political fallout from the financial crash in 2008 has spurred a reconsideration of social policies (Vieira and Pinto, 2012). The discourse positions welfare recipients at fault for the recession constructing and reflecting feelings of resentment among the British public.

Discursively connecting new proposals to the existing value structure can facilitate dramatic changes by invoking an accepted idea of legitimacy (Ross, 2013). Similarly, Iain Duncan Smith spoke of the London Riots at the 2011 Conservative Party Conference referring to ‘worklessness’ in association with the disorder seen in cities around England: ‘The riots serve as a pertinent reminder to us about the deep and clear social problems our Government inherited. For before the recession began we had 4 million people stuck on out of work benefits for a decade or more’. Again, this works within Conservative ideological space showing consistency in their aim to legislate for tough welfare reforms (Ross, 2013).

Next, the polar interpretive repertoires will be discussed asking how they contradict and the function of ideological dilemmas in developing a ‘winning argument’.

Ideological dilemma: victims or abusers?

The representation of benefit recipients as victims and abusers were the prevalent patterns of sense-making in relation to speeches about the welfare reforms. These are the ‘building blocks’ of welfare discourse which Conservative leaders use to construct arguments and representations (Edley, 2001). Within the discursive terrain of welfare reform, the abuser and victim repertoires raised the issue of conditionality. The notion that welfare benefits should be dependent on satisfying certain compulsory conditions is not a new perspective.

Slater (2012) points out that, under Tony Blair, New Labour delivered a similar political package which constructed greater conditionality in the welfare system as an incentive to
work. New Labour actually introduced significantly tougher work-welfare reforms than the previous Conservative government. Since New Labour were perceived as the party that protected the interests of those on state benefits, New Labour promoted its radical perspective on the principles and practices of work and social justice with little opposition. New Labour’s ownership of welfare as an issue enabled them to construct a generally accepted imperative for reform with conviction (Ross, 2013). So there was a pre-existing, punitive context put in place by a government on the way out which facilitated the predominant discourse which constructs the British population as ‘workshy’ (Slater, 2013).

The supporting yet punitive representation is problematic as they claim two very different things, but can be seen within the same speech from the same speaker. The subject positions offered to welfare recipients across the repertoires are highly polarized: the ‘vulnerable’ and ‘poorest’ to ‘cheating’ and ‘irresponsible’. This presents a social dilemma: are the reforms punishing idle people or supporting vulnerable people? According to Verhoeven and Tonkens (2013) welfare state reforms tends to focus on similar ingredients. The discourse heavily emphasises active citizenship, citizen responsibility, self-reliance instead of dependence on the welfare state and informal care and support.

According to Duncan Smith, the previous welfare system failed the people who it was designed for. The rhetorical strength of this repertoire comes from the pragmatic suggestion that the system is no longer designed for the poorest. The victim repertoire actually works to bolster the abuser repertoire by contrast. The extreme case formulation of the ‘poorest in society’ effectively distinguishes who the welfare society is supposed to be supporting and who is trapped by it. There are many constructions of divisions in welfare discourse which foster resentment and legitimize the necessity for the new policies.
Another advantage of using these two contrasting repertoires is the capability to defend against counter positions which capitalizes on natural variations and contradictions within and between subjects (Billig, 1991). On the one hand, the abuser repertoire appeals to the existing resentment felt towards unemployed benefit recipients in Britain. On the other hand, the victim repertoire defends against accusations claiming the reforms are ultimately deserting the most vulnerable.

The dissertation will now discuss the next interpretive repertoire of ‘fairness’. Fairness discourses are closely linked to the ‘abuser’ and ‘victim’ repertoires. Fairness refers to ‘hard working’ people not being taxed more to support unemployed people but also fairness for those who are considered deserving of support.

Welfare Reform as Fairness

During the 2010 general election campaign, the Conservative Party championed the phrase ‘we’re all in this together’. This phrase is now being widely challenged by the media and charities due to the introduction of punitive welfare reforms with particular attention to the resulting fall in living standards of working-age benefit recipients due to the programme of austerity introduced under the Conservative-led coalition government. According to Page (2010), these reforms are an attempt to pursue ‘progressive’ policies which are based on an equitable or proportionate form of social justice rather than an egalitarian version (Haidt, 2012). This political rebranding does not attempt to convey communitarian aims; ‘compassionate conservativism’ has a moral sense but the moral responsibility is located at the level of the individual (Norman and Ganesh, 2006). The following extracts show how the repertoire of fairness is constructed and how this intends to defend and support restructuring the welfare system as a ‘moral mission’ (Cameron, 2014).
Who here, who pays their taxes, and pays for the benefit bills of others thinks £500 a week in benefits is too little? Who here, who goes to work and sends money to the Government, thinks families that aren’t working should get more than £26,000 a year? Exactly. Those who campaign against a cap on benefits for families who aren’t working are completely out of touch with how the millions of working families, who pay the taxes to fund these benefits, feel about this. We are on your side. (Osborne, 2013)

Osborne is discussing out of work benefits for families and making a case for the Benefit Cap which limits a family’s total, annual benefits to £26000 for a family or £18000 for a single adult. This extract is an example of making counter arguments to potential criticism by asking leading, rhetorical questions i.e. ‘Who here, who pays their taxes, and pays for the benefit bills of others thinks £500 a week in benefits is too little?’ Rhetorical questions are powerful devices of persuasion as they present like a dialogue: answer-question format as if a discussion has taken place. This involves the audience and makes it somewhat interactive; a question has been asked and the audience are inclined to answer. This particular question uses both logos and pathos to create a winning argument (Billig, 1991). Pathos is a tool which is used to connect emotionally with the audience by appealing to the imagination of the audience (Crines, 2013). The comparison between people who pay their taxes (the intended audience) and people who receive benefits amplifies existing emotions and stimulate indignation and resentment among the audience. Further, the simplistic comparison rationalizes the cap by highlighting the inverse (taxpayers). Across the
discourse, Conservative leaders have targeted and manipulated extreme, anomalous pay outs to deliberately mask how radical and disproportionate the reforms actually are (Hodkinson and Robbins, 2013). Figures show that only 4 per cent of London benefit claimants receive more than £20000 a year (Ramesh, 2010).

The extract has a further purpose which is to question the character of those who would oppose the cap. The case is made for the Benefit Cap by addressing the speech to working individuals. The rationalization and moralization of the proposed benefits cap, as previously mentioned, help to characterize those who oppose the policy as ‘morally bankrupt’ or simply ‘politically motivated’ individuals (Crines, 2013). In this speech, Osborne claims that those who campaign against a cap on benefits are ‘out of touch’, implying that the Conservative Party and their reforms are ‘in touch’. This positioning is an attempt to convince the public that the Conservatives are now fully in tune with issues of importance to ‘ordinary people’ (Willetts, 2009).

The Conservative party affiliates themselves with working people in this extract and this is highlighted at the end with a short, concise ‘clap trap’ (Atkinson, 1984): ‘We are on your side.’ This is an example of rhetorical positioning. Osborne has described a situation where families out of work receive more in benefits than a working family. He has also spoken of people who campaign against the proposed benefits cap. ‘We are on your side’ is used as an evaluative stance condemning those oppose the cap and creating a division between those who are in touch with workers and those who are not. By creating sides, this rhetoric puts pressure on the Labour party to take a firmer stand on cuts to social security spending. It is particularly challenging rhetoric given the hegemonic advantage Labour enjoyed over
welfare policy (Atkins, 2010), has been ceded to the Conservatives (Hayton and McEnhill, 2014).

Overall, this extract tends to refer to fairness in terms of reducing benefits to bring them in to line with working families: ‘we’re simply asking people on benefits to make some of the same choices working families have to make every day’. This sounds like fairness, but another aspect that must be considered is the current living standards of working families. As Resolution Foundation (2012) point out: many benefit claimants are in work. That begs the question: what are the benefits of going to work if it makes no difference to the living standards of individuals and their families?

This contrastive discourse which constructs a division between workers and non-workers is present across the data. In the next extract, the construction of welfare reform as a means to bringing fairness back into the system is built using anecdotal evidence rather than statistical.

Extract 7:

I've had young people in my constituency surgery who come in and say: 'I'm doing the right thing, saving up for a home with my boyfriend, making sure we're secure before we have kids but the girl down the road has done none of the above and yet having a baby has got her a flat and benefits that I'm doing without.' Of course housing – like benefits – has to respond to need. And of course, we have a clear responsibility to safeguard the well-being of children. But should we be content with a system that is seen by some as saying: have a baby now, get a home and some
cash; wait until later, when you're more secure and stable, and you may get neither?

(Cameron, 2011)

In this extract, the abuser repertoire is also being constructed but the parenthesis of the couple doing the ‘right thing’ and the girl down the road doing the ‘wrong thing’ is a significant addition to the interpretive repertoire of fairness. There is a construction of unfairness concerning the idea of someone receiving housing benefits and living in a house which a working family could not afford (Hodkinson and Robbins, 2013). The reality is that private sector housing benefit claimants do not enjoy better or more expensive housing than low income households (Walker and Niner, 2010). Cameron, however, constructs a clear contrast between those who are perceived to abuse the system and those who use it correctly to highlight the unfairness of the previous system: ‘whether it’s the failure to offer the right support for people who are desperate to go back into work’ (Cameron, 2011).

Again, the distinction is between working individuals and unemployed individuals with a lack of regard for individuals who are permanently unable to work perhaps due to disabilities. Cameron is depicting the couple in this anecdote as models of excellence in society, thereby using an exemplar to represent the moral argument for reform (Hampton, 1990).

Using an anecdote to construct the changes to welfare as a path to fairness has force due to the presumed reality of it. Extract 7 shows how anecdotal evidence sometimes assimilates a parable as it is a story which carries a moral message. This can work as an extended metaphor (Atkins and Finlayson, 2013); this singular example of people and situation can be used to represent a significant portion of the electorate. This over representation is possible because, presumably, the source of the anecdote is not a politician but a member of the public (‘one of us’) which confers some authority or factuality on the issue. The actuality of
the story enables the audience to draw a conclusion about the reality of the welfare system. Further, the story is presented as a case study which validates the generalisation, illustration, demonstration and reinforcement of the interpretive repertoire (Atkins and Finlayson, 2013).

The message here is the ‘girl down the road’ is wrong to receive benefits on the basis of having a child and it is unfair that the couple who are working and saving up cannot afford to get a home. The girl down the road was not ‘secure’ before having a child and therefore does not deserve the support off the welfare state. To avoid any accusation of being an uncaring party, Cameron employs a disclaimer: ‘Of course housing – like benefits – has to respond to need. And of course, we have a clear responsibility to safeguard the wellbeing of children.’ The function of this disclaimer is to maintain the merits of the policy (Heritage and Greatbatch, 1986): social housing and benefit reform is not about disregarding the wellbeing of children but it is about fairness for working people.

The attack on ‘welfare dependency’ is rooted in the era of Thatcher as part of an economic regeneration of society. In more recent times, however, when the British public is more receptive to liberal thinking, Cameron believes it prudent to change the public’s perception of the Conservatives as the ‘nasty party’ (Page, 2010). This requires avoiding old fashioned prejudice and inward looking intolerance (Willetts, 2009). For the welfare state, compassionate Conservativism means a move away from the provider role to a supportive role for civic initiatives in this sphere (Letwin, 2002). To ‘positivise’ the agenda, the reforms are not presented as removing support from those on benefits but returning fairness to working people. The positivisation is achieved by addressing the speech to employed people praising them and referring to them as ‘hard working’. Also by using disclaimers this helps to
counter the ‘nasty party’ image and attempt to make the reforms more acceptable to liberal minded people: ‘And of course we have a clear responsibility to safeguard the wellbeing of children’.

Extract 8 shows Iain Duncan Smith summarizing the alleged drive behind welfare reform: restoring fairness to the system for working people. To construct the interpretive repertoire of fairness, Duncan Smith uses a variety of rhetorical devices which reinforce and support the case for reform.

Extract 8:

Our purpose was to bring fairness back to a system that had for too long penalised positive behaviour and abused taxpayers’ trust. This has not been easy but we have stuck to our task. Our plan is simple; to put work at the heart of the welfare system and ensure work always pays. That is returning fairness to the system. (Duncan Smith, 2013)

Duncan Smith (2013) addresses the Conservative Party conference regarding the progress made in reforming the welfare state. He uses the possessive, collective pronoun ‘our’ to directly involve the audience and instil a sense of shared responsibility among the Conservative Party members. Amidst demonstrations outside the conference over cuts, privatisation and austerity, ‘we’re all in this together’ took on a new meaning. The British public are not the only ones the Conservative elites need to convince. ‘This has not been easy but we have stuck to our task’ evinces the worthwhileness of the cuts and reforms. Sticking to the task despite difficulties lends to the determination of the Conservative Party and the necessity for reform.
Duncan Smith proceeds to describe the task using a rhetorical syntactical arrangement. This simple structure consists of a declaration or announcement e.g. ‘Our plan is simple’ followed by the elaboration e.g. ‘to put work at the heart of the welfare system and ensure work always pays’. The plan itself is emphasised by calling attention to the plan in advance of the actual message. This format is referred to as a headline-punch line format which highlights what is considered to be the most important part of the message. The technique may also help to prepare the audience for the expected applause once the punch line message is completed (Heritage and Greatbatch, 1986). In this case, however, Duncan Smith is required to employ a rhetorical device known as ‘pursuit’ which involves using a short and snappy phrase to actively pursue applause (Atkinson, 1984). ‘That is returning fairness to the system’ is a recompletion of the point being made. This device emphasises the importance of the message, highlights fairness as the main issue and is another opportunity to indicate where applause is expected.

The point must be made that across the data the construct of fairness does not conform to everybody’s understanding of the noun. Conservative Progressivism and its concerns with the issues of importance to ‘ordinary people’ do not extend to the exponential growth of income and wealth at the top of society. Growth and wealth are not negative in their own right but there is a significant wealth gap between those at the bottom and those at the top of society. It is this wealth gap, not welfare gap, which is problematic. There exists a general acceptance of these inequalities by the Conservative elites which begs the question: how progressive is Conservative progressiveness? (Finlayson, 2007; Blond, 2009; Clark and Hunt, 2009).
The fairness repertoire is directed towards taxpayers claiming that welfare reform will mean a fairer system for them. Through the opportunity repertoire, welfare reform is presented as a chance for benefit recipients to improve themselves by finding employment.

Welfare Reform as Opportunity

The interpretive repertoire of opportunity is constructed to show the alleged positive aspects of the changes to the welfare state. In the repertoire ‘opportunity’ seems to refer to several things: the chance to get back into the job market and receive some sort of income; removal from the poverty trap and dependence on the state; return of dignity and pride due to being employed. The extract below shows Cameron using these positive feelings associated with working as a measure of the reforms’ achievement.

Extract 9:

And you know - on this, as on everything else, Labour will fight us, but remember: we are giving people real opportunities. I've had people say to me ‘I'm back on my feet’... ‘I feel worthwhile.’ One wrote to me saying: now I can tell my son his Dad really does something.’ This is what our Party is all about. We don't patronize people, put a benefit cheque in their hand and pat them on the head. We look people in the eye as equals and say: yes, you've been down - but you're not out, you can do it, you have it in you. We will give you that chance. And that's why we can say today that it's this Party that is fighting for all those who were written off by Labour...It's this Party that's for the many not the few. Yes - the land of despair was Labour...but the land of hope is Tory. (Cameron, 2013)
The extract is a clear representation of the conceptual underpinnings of the Big Society envisaged and sought after by Conservative elites. What makes a ‘good society’ as evinced by Big Society essentially requires that empowerment and an enabling environment created by the government is necessary for responsibility and opportunity to develop (Bednarek, 2011). Cameron uses the victim repertoire here in combination with opportunity: yes, you've been down - but you're not out, you can do it, you have it in you. We will give you that chance. The two repertoires go hand in hand to support the claim that the Conservative party supports those in need and the reforms enable these individuals to return to work thereby providing ‘real opportunities’. The implication is that Labour did not provide ‘real opportunities’ for social security recipients; this includes the opportunity to get training, become employed and own their own home. The other implication, suggested by ‘on this, as on everything else, Labour will fight us’, is that Labour opposes everything the Conservative Party introduces purely based on political motivations rather than logical or moral arguments.

Anecdotal evidence is again used to back up the claim that ‘real opportunities’ have resulted from the new welfare system: ‘I’ve had people say to me I’m back on my feet’. Further, the idiomatic phrase “back on my feet” is part of the cultural topoi associated with getting back into employment which contributes to the construction of the interpretive repertoire of opportunity. Cameron quotes individuals as a kind of evidence to show that reducing the support for welfare recipients is beneficial to their independence. The Conservative line of thinking seems to follow the idea that a lack of assistance will inevitably rekindle the flame of self-reliance (Bednarek, 2011).
According to Hodkinson and Robbins (2013), the adoption of a ‘can-do’ discourse regarding social change and popular empowerment is simply a means to sugar-coat the harsh cuts and conditionality that comes with Duncan Smith’s welfare reforms. For instance, Cameron describes somebody expressing how they ‘feel worthwhile’ and ‘can tell my son his Dad really does something’. The pathos in this extract is emotionally stimulating and supports ongoing rhetoric associating welfare with ‘pride, self-worth and dignity’ (Osborne, 2013). A consequence of this empowering language is the indirect condemnation of those receiving social security payments suggesting that they lack these qualities and should be ashamed. Emotional performances are a significant rhetorical device benefits (Tonkens et al, 2013); it is especially powerful in the context of the Conservative Conference since the audience is ideologically aligned (Crines, 2013).

It is interesting how the removal of financial support for the poorest and most vulnerable in society is constructed as treating individuals with respect: ‘We don’t patronize people, put a benefit cheque in their hand and pat them on the head’. The three part list solidifies the message that Labour underestimated individuals while in office. It supports the angle of empowerment taken by Conservative elites and contributes to the repertoire of opportunity.

Another function of this rhetoric is how it benefits the characterization of Cameron and the Conservative Party. As political elites, part of their role as Conservative leaders requires they personify the political and moral belief structure of their party (Crines, 2013). In this instance, Cameron is constructing a version of reality which portrays and positions the Conservative Party as a liberator of welfare recipients: ‘This is what our party is all about’. This summarizes the point that Cameron is making in this extract: that the Conservatives
aim to get people back to work and restore their dignity. It is also an rhetorical device which is actively involved in pursuing applause (Atkinson, 1984); in this instance the pursuit also involves a shift of footing where Cameron begins to speak on behalf of the party (Goffman, 1979). The phrase reemphasizes and recycles the subject position of the Conservative Party as the key to getting British people back into employment (Heritage and Greatbatch, 1986). This works alongside the repertoire which constructs social security recipients as victims of a poverty trap. The phrase ‘We look people in the eyes as equals’ suggests trustworthiness as making eye contact with people is generally associated with honesty and frankness. In an uncommon occurrence, Cameron begins to address welfare recipients directly as if to demonstrate this: ‘Yes, you’ve been down but you’re not out’. The wording takes advantage of the colloquialism ‘down and out’ enabling the audience to follow the message and anticipate the contrast completion (Heritage and Greatbatch, 1986).

The extract exemplifies a combination of rhetorical devices which are particularly interesting at the completion point. ‘It’s this Party that’s for the many not the few. Yes - the land of despair was Labour...but the land of hope is Tory’ shows Cameron using two contrasting abstract nouns to create emotional arousal in the audience: ‘despair’ and ‘hope’. These words have the ability to create an image of the parties with these opposite qualities. The abstractions are individually and cumulatively powerful engagers of a Conservative audience who are more receptive to these ideas. This is because there is an indirect link from these abstract words to the concepts and the contextual relevance (Thomas and Wareing, 1999) allowing single words to influence orator-audience pragmatics.

The syntactical arrangement of these rhetorical, contrastive phrases highlight that the party is ‘for the many’ and ‘land of hope is Tory’. The focus is created by strategically placing them
at the end of the sentence emphasising what the party is allegedly ‘all about’ and adding to the semantic field of the opportunity repertoire: ‘hope’, ‘equals’ and ‘chance’.

Extract 10:

First, we must treat the causes of poverty at their source, whether that’s debt, family break-down, educational failure or addiction. Second, we’ve got to recognize that in the end, the only thing that really beats poverty, long-term, is work. We cannot emphasize this enough. Compassion isn’t measured out in benefit cheques – it’s in the chances you give people, the chance to get a job, to get on, to get that sense of achievement that only comes from doing a hard day’s work for a proper day’s pay.

(Cameron, 2012)

The Centre for Social Justice think tank claimed to have identified five interconnected features of social breakdown which they coined ‘pathways to poverty’ (The Centre for Social Justice, 2013). These features were: family breakdown, personal debt, educational failure, addiction and finally ‘worklessness’ and economic dependency. Duncan Smith also invoked these as reasons for welfare reform in his Welfare for the 21st Century Speech: ‘This, it was agreed, is what drives poverty’ (Duncan Smith, 2010). Firstly, it is necessary to question the validity of these alleged factors which cause poverty rather than take for granted their facticity. The CSJ findings attribute causes of poverty to social and personal failings of the individual rather than the macro conditions or broader demographic trends thus re-moralizing conditions of the poor (Bamfield, 2012). Cameron and Duncan Smith again draw on a neoliberal discourse of individualising blame. They use the findings to bolster the claim that it is the individuals’ responsibility to work their way out of poverty.
Secondly, assuming these factors are the primary causes of poverty, how do the welfare reforms introduced by the coalition tackle these issues? The cuts to spending and increased conditionality introduced into the welfare system seem to remove or reduce the safety net rather than addressing these alleged roots of the poverty problem. The poverty trap repertoire rationalizes and naturalizes the removal of the safety net by claiming it is compassionate to do so: ‘Compassion isn’t measured out in benefit cheques’. This line refers to rhetoric seen across the data accusing Labour of tackling poverty by splurging money on welfare (Duncan Smith, 2013).

By making welfare a leading issue in government agenda, the Coalition have repudiated Labour’s record and undermined its credibility and ownership on an issue which was previously considered an area of strength (Bamfield, 2012). Different actors have a varying ability to construct an imperative for welfare reform and this is due to some politicians and parties having more relevance to the extant issue. Ross (2013) describes how the Labour party were more successful in constructing an imperative for reform due to voters associating the party with welfare. Since 2010, Conservative leaders have challenged Labour’s ownership of welfare and are therefore in a prime position to construct an imperative for change: ‘…we’ve got to recognize that in the end, the only thing that really beats poverty, long-term, is work.’

Throughout the discourse, Conservative politicians construct the reforms as a logical course of action against poverty: ‘we’ve got to recognize that in the end, the only that that really beats poverty, long term, is work’. The implication is that reform means work which in turn means tackling poverty. Returning to the proposed pathways to poverty, this approach would be relevant to ‘worklessness’ and economic dependency and personal debt but does
not treat the remaining alleged causes: addiction, family breakdown and educational failure. This is consistent, however, with the emphasis which Conservative leaders have placed on ‘worklessness’ as a real social issue. In fact, Bamfield (2012) discusses how the government has redefined the problem of poverty by treating lack of income as a symptom of poverty rather than a contributing factor. Essentially moving the goal posts, Conservative leaders justify their positioning on poverty, social justice and fairness with a combination of moral conviction and political calculation. This has led to the narrow fixation on employment by Conservative leaders amongst other coalition members. Where Labour focused on results based on income, the Conservative-led coalition is heavily emphasizing employment as an indicator of progress.

The Repertoires in Combination

The four repertoires are employed while discussing the issue of welfare as part of a sense making process. The most complex and less frequently employed of these was the victim repertoire. The victim repertoire was a more intricate construction because it characterizes the policies as sympathetic and encouraging whereas the reforms are actually more likely to make life more difficult for individuals receiving welfare payments.

The opportunity repertoire, which is inextricably linked to the former, is drawn from regularly and by all three members of the Conservative party. Together, the opportunity and victim repertoire put a positive spin on Universal Credit. The opposing, more negative repertoires of abuser and fairness seem to be constructed using more rhetorically loaded language. Due to how controversial these two repertoires are compared to their counterparts, there are significantly more discursive resources culturally available. In combination these four repertoires in part represent the possible discussions or debates
which can take place around welfare reform. In this context, the repertoires are synchronised in the discourse to provide a powerful discursive package which is used to position against counter arguments.

Within the discourse welfare recipients are limited concerning the discursive space are able to inhabit. The ideological field which Conservative leaders work in severely restricts the potential characterizations of welfare recipients. There is scarce mention of ‘workless’ people who cannot find work due to the area they live in, lack of affordable childcare, individuals who are so poverty-stricken the job seeking process itself is unaffordable. There is also little discussion of working households receiving benefits. Therefore the repertoires which Conservative elites draw upon represent a skewed version of reality.
Conclusion

The analysis revealed some of the ways Conservative politicians talk about welfare reform and welfare recipients. There were four interpretive repertoires through which accounts of welfare are built: victim, abuser, opportunity and fairness. The ways in which Conservative elites have manipulated and invoked these resources using a smorgasbord of rhetorical devices within the speeches have been discussed. The function of these repertoires has also been considered in relation to the broad contextual picture finding ideological consistency and the economic issues contributed to the discourses produced.

The global analysis enables greater appreciation of how complex the ideological field is around this topic. There are a variety of rhetorical positions assumed and provided by the Conservative leaders and numerous arguments presented which can be seen within welfare reform discourse. The complexity of the positions and arguments make it difficult to recognize singular, global patterns. Despite the evident complexity of the discursive resources at work, the outlook for welfare recipients is not particularly positive. The most prevalent ways of talking about welfare recipients and the reforms encourage the British public to identify with a version where these individuals are taking advantage of the state’s generosity. The identity work in the speeches positions welfare recipients as abusers or victims. Even the more sympathetic version drawing from the victim repertoire conveys welfare recipients as a group who are unwilling to return to work rather than unable to find employment in the first place.

The victim repertoire is a relatively new addition to the cultural topos of welfare as the angle taken presents people on benefit as trapped by the support given to them rather than trapped by structural deficiencies. Constructing benefit claimants as victims of welfare
appears to suggest that financial support is disadvantageous to the individual and society. The repertoire is used to exemplify the sympathetic approach of the Conservative-led coalition suggesting that the reforms help the poor not punish them. The repertoire serves another purpose; the Labour party are then presented as having patronised and repressed people on benefits by providing too much support in contrast.

The findings show that the resources Conservative politicians draw upon add to a predominantly negative ideological field which marginalises and demonises people receiving social security payments. There is huge social value placed on employment and financial independence concerning how to be a good citizen. The speeches invoke the notion of working meaning pride and dignity whereas ‘worklessness’ is shameful by comparison. Financial dependence and employment are constructed as a valid measure by which to judge people. The financial and employment status of people dictates what discursive position can be inhabited – whether ‘hard working’ or ‘workless’, ‘striker’ or skiver’ (Jeffries, 2013). The ideological field constructs a specific cultural slot and a set of identity possibilities (Reynolds and Wetherell, 2003). In the version of welfare constructed in Conservative speeches, workless individuals are either haplessly receiving benefits because they know no other way or are deviously scamming the system at the expense of the taxpayer. In this way the discourses are also harmful for working families receiving benefits as there is no space for them to inhabit. In the speeches, there is no social category constructed for this group probably because it does not conform to the representation of workless families on welfare.

For instance, the analysis showed Cameron conveying a construct of welfare reform returning fairness back to the system as part of a ‘moral mission’ (Cameron, 2014).
construction works to condemn unemployed benefit recipients while supporting workers. It also functions to reinforce government policies and change the current standing in society of the Conservative Party as the nasty party to the workers’ party. The main linguistic devices identified in these processes were syntactical organisation, three-part lists, contrastive pairs, rhetorical questions and repetition. These findings show how linguistic features can be used to effectively convey a construct for various functions e.g. summarising, emphasising, comparing.

As for the positions assumed by the Conservative elites, the speeches show the speakers engaged in developing a variety of identity positions. At the same time as constructing themselves as sympathetic individuals with a duty to support and care for people receiving welfare payments, they were simultaneously positioning themselves as judges or regulators of who deserved that support and care. They appear to negotiate between a ‘tough love’ approach and a disciplinarian approach. The ‘tough love’ approach is relevant to the victim repertoire; the cuts and reduction of support force people into work which they would not have found otherwise. The disciplinarian position is assumed with regards to the abuser repertoire; imposing greater conditionality and punitive cuts to penalise individuals who do not take appropriate steps to find work. There is difficulty in this multi-positioning as the modes of self-presentation are contradictory.

When discussing welfare and the construction of hard workers, welfare abusers and victims, there is a range of sense making techniques at work. Even when the analysis is focussed on discourses produced by individual members of the Conservative party, the sense making is complex, contradictory and full of competing claims and dilemmas (Billig, 1988).
The speeches demonstrate a wide range of angles by which the speakers try to make sense of the welfare issue giving the politicians greater range and rhetorical flexibility. This is important when considering the broader picture including potential rebukes over the policies. Rhetorical flexibility allows the Conservative leaders to prepare for possible discourses which construct a less favourable version of reality. For example, claims that the reforms are hitting the most vulnerable are countered by the victim repertoire i.e. ‘those who can’t, we will always help’. Essentially, the flexibility allows Conservative leaders to appear simultaneously supportive and critical of welfare recipients (Edley and Wetherell, 2000).

This dissertation shows a need for more Critical Discursive Psychology in order to challenge the naturalised, dominant discourse produced in Con-Dem rhetoric. However, focusing solely on the discourse produced by Conservative leaders results in a mere fraction of understanding. When it comes to the construction of welfare recipients and the welfare state, there are more discursive resources which are culturally available. It would be interesting, for example, to examine the discursive spaces which welfare recipients position themselves. However, shifting patterns or meaning used to construct claimants and workers are formed in relation to power (Reynolds and Wetherell, 2003). Therefore it is pertinent to look at the discourses produced by those in power. This way the research focuses on how those in power construct welfare and affect the shifting patterns of meaning.

The current research did not include analysis of prosodic features such as tone, volume or audience responses because the analysis was focussed on the discourse and its function rather than the delivery. For this research question, the fine details of timings and intonation are not crucial and would be obstructive in the data analysis. Although it must be
acknowledged that intonations, pauses and even body language, when used effectively, can greatly affect whether speech is a successful performance (Kreckel, 1981). The success of the speech was of little consequence to this analysis which focussed on the multi-functionality of language and how it is used by politicians.
Reflexive Analysis

Using a qualitative method such as Critical Discursive Psychology to analyse the data requires that I discuss my reflexive position particularly what might have influenced my interpretation of the data. In this case, the data itself is unaffected as it is naturally occurring as opposed to an interview format. The data is affected through the process of analysis. The analysis of the speeches is likely to differ, however, depending on the researcher interpreting the data (Smith, 2008). This is due to each researcher having varying backgrounds and interests. Therefore it is important to include a reflexive analysis to consider factors which may have affected the conclusions reached. To do this, I will consider my position in the research and reflect on how this may have influenced the process of analysis.

My position in the research was shaped by my pre-existing critical stance towards the Conservative-led government and my empathy for people relying on the welfare state. It is not an easy option, in my opinion, for people ‘on benefits’ to rely on the state financially. For most, it is not an option at all. Idealizing life on benefits as having ‘free money’, as I recently heard someone describe it, does not do any favours for society. This construction fosters resentment, minimizes the real struggle of individuals and hinders real attempts to understand and tackle poverty. Therefore, to me, the version of welfare depicted by Conservative leaders Cameron, Osborne and Duncan Smith is harmful to society and not conducive to any form of social justice. It is the representation of welfare as ‘hand outs’ which is so damaging as it justifies the outdated view that support should be there for people who deserve it rather than those who need it. That is my main issue with the coalition’s welfare reforms and the discursive field produced by Conservative elites.
It is heartening to hear individuals and groups challenging the version of welfare put forth by Cameron, Osborne and Duncan Smith via the media. Recently there has been much more media coverage including televised debates such as ‘The Big Benefits Row’ and ‘Benefits Street: The Last Word’ and reports of letters sent by 43 Christian leaders speaking out against the reforms (The Times, 2014). Although the televised debates were not what I would consider positively productive, they are constructive in that they create awareness of the consequences and supplement the culturally available discourses.

I would argue that if I agreed with the arguments for reform I would be less able to deconstruct and challenge the discourse. It is suggested that researchers needs to understand both the discourses that is actually produced and the discourses which could have been used but was not on this occasion (Culler, 1976; Fiske and Hartley, 1978; Hartley, 1988; Hodge and Tripp, 1986). For instance, there is a significant difference between ‘something for nothing’ and ‘unconditional support’. I am able to understand the argument that welfare reform offers a kind of fairness to workers but would suggest that welfare is part and parcel of a civilised society and is there for everyone at any time in their lives including people in or out of work.

In spite of my positioning, the analysis was reviewed and found to cover the broad patterns discussed alongside accounting for the range of micro-sequences found. The linguistic evidence supports the constructs which were found across the corpus of data. As such, the analysis is found to be cohesive and comprehensive and therefore it can be considered valid.

From this research arises the ethical issue of politicians using repertoires to empower and condemn different groups of people. Across the data, there was a situation of unemployed
vs. workers conveyed. Ignoring the existence of in work benefits and poverty, the Conservative leaders focussed on unemployed benefit recipients dubbing them irresponsible regarding their own situation, society and the state of the economy.

The possibilities go much further than this and the danger of using powerful rhetorical devices to justify unethical actions exist; for example, in the current discursive climate people are facing further cuts, workfare and social isolation. This research highlights the potential for abuse and stresses the importance of awareness. Evidently, more research is needed to fully understand the discourse of power and the power of discourse.
References


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Good morning.

I am pleased to be here as Secretary of State for Work and Pensions, heading a strong and committed team of Ministers - Lord Freud, Chris Grayling, Steve Webb and Maria Miller.

I would also like to take this opportunity to thank the Permanent Secretary, Leigh Lewis, and his staff for the hard work and dedication they have shown over many years.

Walking around the building I have got some idea of the depth of enthusiasm of the staff who work here. People are keen to be involved in our programme of reform.

In fact, some of the people I have talked to - while in no way commenting on the previous government - have told me that the system they administer with such dedication is indeed breaking and in need of urgent attention.

But then, that is why I took this job.

Six years ago, I launched the Centre for Social Justice, determined to deliver on a promise that I made to a number of people in some of the most deprived areas, that I would work to improve the quality of life of the worst off in Britain.

I had a vision that if people of good will and determination could come together - ignoring party labels and rooted in the most difficult communities in Britain - we could find a way to deliver on that promise.

We wanted to understand the root causes of poverty.

From this starting point, the team refined the work into five pathways to poverty - family breakdown, educational failure, addiction, debt, and the fifth, worklessness and economic dependency.

This, it was agreed, was what drives poverty.

Yet far too often, these pathways have not been reflected in the priorities of successive governments.

You can see that every day right here in London - one of the richest cities in the world where great wealth lives in close proximity to the harsh realities of poverty.

What, perhaps, is most remarkable is the degree of consensus among academics and, most importantly, inspirational leaders and community charities, that we need a new approach to tackling persistent poverty.

Appendix

How, they asked, can it be right for generations in families to live and die without ever holding down a regular job?

How can it be right that we ask the unemployed to take the greatest risk for the least reward?

And how can we find new ways of breaking the cycle of dependency and re-discover social mobility?

I want this Department to be at the forefront of strategy to improve the quality of life for the worst off.

But this will be no easy task. As last week’s poverty statistics showed, the challenge we face is huge.

Income inequality is at its highest since records began.

Working age poverty, after flat-lining until 2004, has risen sharply and now stands at the highest level seen since 1961.

There are more working age adults living in relative poverty than ever before.

Some 5.3 million people in the UK suffer from multiple disadvantages.

And today, 1.4 million people in the UK have been on out of work benefits for nine or more of the last 10 years.

Crucially, this picture is set against a backdrop of 13 years of continuously increasing expenditure, which has outstripped inflation.

The figures show that at current prices, we spent £28bn in 1978/79, excluding pensions.

By 1996/97, the figure was £62bn.

And today (2009/2010), it stands at £87bn, including tax credits, which takes the overall bill to £185bn once pensions are added.

Worse than the growing expense, though, is the fact that the money is not even making the impact we want it to.

A system that was originally designed to support the poorest in society is now trapping them in very condition it was supposed to alleviate.

Instead of helping, a deeply unfair benefits system too often writes people off.

The proportion of people parked on inactive benefits has almost tripled in the past 30 years to 41% of the inactive working age population.
Some of these people haven’t been employed for years.

Indeed, as John Hutton pointed out when he had this job, “Nine out of 10 people who came on to incapacity benefit expect to get back into work. Yet if you have been on incapacity benefit for more than two years, you are more likely to retire or die than ever get another job.”

That is a tragedy. We must be here to help people improve their lives - not just park them on long-term benefits.

Aspiration, it seems, is in danger of becoming the preserve of the wealthy.

The legacy of the system we have today stands at more than 1.5 million people on Jobseeker’s Allowance; almost 5 million out-of-work benefit claimants; and 1.4 million under-25s who are not working or in full-time education. Nearly 700,000 of those young people are looking for a role in life, but cannot find one.

We literally cannot afford to go on like this.

The need to reduce costs is shared across the government, but here in DWP we always have to be conscious that we are often dealing with some of the most vulnerable members of our society.

That is why I will be guided throughout this process by this question - does what we are doing result in a positive Social Return on Investment?

In short, does this investment decision mean a real life change that will improve outcomes and allow an individual’s life to become more positive and productive?

That is how we will be guided on every decision.

We have to constantly remind ourselves that we are here to help the poorest and most vulnerable in our society.

So we will require that when we implement a programme it has a clear and evidence-based outcome.

We will also discipline ourselves and ensure that we are not tempted to alter it according to which way the political wind is blowing that day.

Fidelity to the original objective is vital in getting the best value for money for the taxpayer. And if a programme is not cost-effective against that criteria, then we must look at a better way to deliver.

To do all this, there are a number of key problems we must address.

One of the first is that for too many people work simply does not pay.
Let’s say someone on benefits is offered a relatively low-paid job.

If you factor in the withdrawal of, say, JSA, plus Housing Benefit and Council Tax Benefit - all at different rates - it means that for too many people they are left with little more income in work than they received on benefits.

Add to that normal costs of travelling to work and the loss of any passported benefits, and you soon start to see why work may not be the most financially sensible option.

For a young person, the situation is even worse since they are usually ineligible for Working Tax Credits.

Worse again for some people, the move from welfare into work means they face losing more than 95 pence for every additional £1 they earn.

As a result, the poor are in effect being taxed at an effective rate that far exceeds the wealthy.

The system has become regressive.

Extremely high effective tax rates also impact lone parents who want to work more than 16 hours a week.

So our current benefits system is actually disincentivising people from work.

These prohibitive marginal tax rates mean that for some people, work simply does not pay.

We have in effect taken away the reward and left people with the risk.

It is no wonder they are so resistant to finger wagging lectures from government.

I have always believed that choice in life is about that balance and the ratio between risk and reward.

Get that ratio right and positive decision making will become the norm. Life chances will improve considerably and cost savings will follow as well.

There has been much talk about sanctions. But I believe it is only right that if we are helping people to get back into work, then we also have a right to expect that those we support are ready and willing to take on work if it is offered.

That is why reform of the Back to Work programme is so important.

We will create a Work Programme which will move toward a single scheme that will offer targeted, personalised help for those who need it most, sooner rather than later.

My Ministerial team is working on the details and we’ll be hearing more about the Work Programme in the coming weeks.
But it seems obvious to me that if we know a particular older worker is going to struggle to get back into employment, it is only fair that we try to get them on to a welfare-to-work programme immediately, rather than pausing for 12 months as is currently the case.

A greater level of personalised support also means more people will be work-ready as the jobs market picks up, so over time we will get a higher return on investment, as well as producing greater life changes for the individual.

To make sure we get the best value for money, we will also be changing the framework to bring the ideas and energy of the third sector and the private sector to the forefront of the process.

We will reform the regime so that we properly reward the providers who do best at creating sustainable jobs that help people move out of benefits and into work. But we are not prepared to pay for anything less.

At the same time, we will also make sure the system is fair by ensuring that receipt of benefits for those able to work is conditional on their willingness to work.

So to be fair to the taxpayer, we will cut payments if they don’t do the right thing.

In addition, we will re-assess all current claimants of Incapacity Benefit on their readiness to work.

If people genuinely cannot work, then we will make sure they get the unconditional support they need.

However, those assessed as immediately capable of work will be moved on to Jobseeker’s Allowance straight away.

At the same time, those who have the potential to return to work will receive the enhanced support they need through ESA (Employment and Support Allowance) and the Work Programme.

Again, this is about fairness in the same way as ensuring that we get rid of the jobs tax so that employers are not penalised for giving people a chance to get back to work.

The principles of fairness, responsibility and social justice also inform our agenda for pensions.

For example, we are phasing out the default retirement age so that we are not penalising perfectly healthy people who want to keep working and keep contributing.

The idea of someone being fired just because they turned 65 is nonsense.

People who are good at their job and want to work for longer should be able to do so.
In my view, that’s only fair. But of course this policy area rests with BIS, so the detail of how we do this is really their decision.

However, one of the big issues we have to face up to as a society is that we are all living longer and healthier lives.

That has huge implications for the pensions regime.

When the contributory state pension was first introduced in 1926, men were not really expected to live much past their pension age.

In fact, average life expectancy for a boy born in 1926 was just 64 years and 4 months.

By contrast, one in four babies born today will live to 100.

Shifting demographics means that the pensions landscape has changed massively.

That is why we have to make sure that pensions are affordable for the country and that is why we have to increase the pension age.

Another thing we are doing on pensions is to end the rules requiring compulsory annuitisation at 75.

This will simplify some of the rules and regulations around pensions. But it also means we will have a fairer system where people take proper responsibility for the decisions that make best financial sense for them.

And, of course, from April 2011 we are triple-locking the value of the Basic State Pension so that it will rise by the minimum of prices, earnings or 2.5%, whichever is higher.

So if earnings are going up fast, the pension will increase in line with earnings. If prices are going up fast, it will increase in line with prices. And if neither is going up fast, it will go up at least 2.5%.

Next, we also have to find ways to encourage greater personal saving. That means we need a vibrant private system too.

We want to encourage employers to provide high quality pensions for all their employees, and I look forward to working with employers, consumers and the industry to make automatic enrolment and increased pension saving a reality.

Real freedom in retirement comes from planning ahead for the future.

It would be one of the most positive changes we could make in office.

The third strand of reform we have set out covers the welfare system and it reflects my determination to make it simpler and more transparent so that work always pays.
We know that work provides the most sustainable route out of poverty, so it is absolutely vital that we get this right and people see a clear link between work and reward.

Less complexity in the system will also save money in administration costs, as well as cutting back on the opportunities for fraud and error.

However, the biggest savings of all will come from putting clear incentives in place to get people back into work and off benefits altogether.

By putting a dynamic approach to benefits in place, we will make sure that individuals and households are always better off in work so that they can take a sustainable path out of poverty.

However, none of this will be easy.

There are major challenges ahead.

Some are technical - for example, how do we link all the various benefit systems that generate such complexity and confusion?

Some are practical - such as working out how we get the best out of the third sector and private sector providers on the Work Programme.

Some of the most difficult challenges will be cultural though. Because for too long, we have discouraged people from taking up their responsibilities as the Welfare State has pushed in to fill the gap where family and society used to function far more effectively.

Social Justice will define my role as Secretary of State at this Department...from jobseekers in our agencies, to families, carers and pensioners.

Indeed, I am pleased to announce today that I will chair a Cabinet Committee on Social Justice with the cooperation of my Coalition colleagues.

My drive is for social justice to run through the fabric of our government, in all that we do.

I also want to reinforce my personal determination to remove the barriers to social mobility and equal opportunity.

And I wish to set out my determination to build a fairer society.

In doing so, let me underline my personal commitment to equal opportunities for all.

This is my commitment to social justice and a welfare system that is fit for the 21st Century.

And I hope that by working together, we can make social justice a reality for Britain long into the future.
The prize is a welfare system that is simple, more efficient and one that helps to restore the social mobility that should be at the heart of British society.

A welfare system that is fit for the 21st Century.
George Osborne (2013) - Conservative Party Conference Speech

At every Party Conference since the election, as we have gathered, the question for us, the question for me, the question for our country, has been: “is your economic plan working?”

They’re not asking that question now. The deficit down by a third. Exports doubled to China. Taxpayers’ money back from the banks, not going in. 1.4 million new jobs created by businesses. 1,000 new jobs announced in this city today.

Our plan is working. We held our nerve in the face of huge pressure. Now Britain is turning a corner. That is down to the resolve and to the sacrifice of the people of this country.

And for that support we owe the British people a huge heartfelt thank you. Thanks to you: Britain is on the right track. So now families, working hard to get on, anxious about the future, are asking these questions.

Can we make the recovery last? And will I feel it in my pocket? My approach has always been to be straight with people.

So let me answer these questions directly. Yes’, we can make the recovery a lasting one. But it won’t happen by itself.

Many risks remain. We have to deal with our debts and see our plan through. And ‘Yes’, if the recovery is sustained then families will start to feel better off.

Because what matters most for living standards are jobs, and low mortgage rates, and lower taxes. But family finances will not be transformed overnight.

Because Britain was made much poorer by the crash. That is what happens when you get a catastrophic failure of economic policy of the kind we saw under Labour.

When no-one prepares in the boom for the bust. When banks get bailed out. And when government budgets spiral out of control.

We are never going to let that happen to our country again. I share none of the pessimism I saw from the Leader of the Opposition last week.

For him the global free market equates to a race to the bottom with the gains being shared among a smaller and smaller group of people.

That is essentially the argument Karl Marx made in Das Kapital. It is what socialists have always believed.

But the irony is this: It is socialism that always brings it about. And it is the historic work of this Party to put that right.

Because attempts to fix prices and confiscate wealth crush endeavour and blunt aspiration. And the people who suffer are not the rich, but the hundreds of thousands put out of work.
The millions made poorer. The generation whose hopes are blighted. It is working people who always pay the price when the economy is ruined.

That is what Labour did to the workers. And the British people are never going to let them forget it. By contrast, I’m an optimist about the world.

I am a believer in freedom and free markets. I see the global economy growing. I see hundreds of millions of people in places like India and China leaving grinding poverty to join it. That is something to celebrate.

It doesn’t have to be a threat to this country. It is a huge opportunity. But we have to understand that the wealth of nations depends on some basic truths.

Jobs are only created when people build businesses that are successful and can expand. Exports only happen if those businesses are making things that others in the world want to buy.

Investment only flows if your country is a more attractive place to do business than other countries. The wealth this creates can be spread widely across the nation.

But only when every child gets a good education; when each adult has the incentive to work; and every family gets to keep more of what they earn.

To achieve all this you need to get the fundamentals right: economic stability, sound public finances, safe banks, excellent schools & colleges, competitive taxes, amazing science, welfare that works.

There’s no short cut to any of these things. Just the hard graft of putting right what went so badly wrong and forging a new attitude in this country that says: We are not afraid of the future because we intend to shape it.

So there’s no feeling at this Conference of a task completed or a victory won. We know it’s not over. Until we’ve fixed the addiction to debt that got this country into this mess in the first place.

It’s not over. Until we can help hardworking people to own a home, to save, to start a business. It’s not over. Until we’ve helped the long term unemployed condemned to a life on the dole.

It’s not over. Until there is real faith that our childrens’ lives will be better than our own. It is not over. This battle to turn Britain around - it is not even close to being over.

We are going to finish what we have started. What I offer is a serious plan for a grown-up country. An economic plan for hardworking people.

That will create jobs. Keep mortgage rates low. Let people keep more of their income – tax free. It is the only route to better living standards.
For without a credible economic plan, you simply don’t have a living standards plan.

We understand that there can be no recovery for all – if there is no recovery at all. The events in Italy and deadlock in Washington this week are a stark reminder that the debt crisis is not over.

And yet the last fortnight has shown there’s no serious plan coming from any other party. The Liberal Democrats at their Conference were jostling for position.

I have to tell you today, that Nick Clegg has informed us of his intention to form a new coalition. For the first time, he’s intending to create a full working relationship with Vince Cable.

Mind you, at their conference Vince Cable did do something that was undeniably Tory. If I’d been there, I wouldn’t have turned up to the Lib Dem economic debate either.

But at least they had an economic debate. Labour’s economic announcements amounted to: Declaring war on enterprise; a tax rise on business; and an apprenticeship policy that turned out to be illegal.

And then there was the energy announcement that completely unraveled. Any politician would love to tell you that they can wave a magic wand and freeze your energy bill.

Everyone wants cheaper energy. So we’re legislating to put everyone on the cheapest tariff.

But I’ll tell you what happens when you draw up policy on the back of a fag packet.

Companies would just jack up their prices before the freeze so in the short term, prices go up. And companies would not invest in this country and build the power stations we need - so in the long term, prices go up.

So that’s Labour’s offer: Get hammered with high prices now. Get hammered with high prices later.

Higher energy prices for all. But don’t worry, there’s a phony freeze on prices in between.

How should I put it? Britain can do better than that.

But perhaps with all this talk of blackouts we’ve been a bit unfair on Ed Miliband’s leadership. We used to think: lights on, but nobody’s home. It turns out we were only half right.

I remember when we were in opposition and we made uncosted commitments and unworkable promises to abolish things like student fees.

We felt good at Conferences like these. Then we lost elections.
David Cameron got us to face the truth about the way we had come to be seen. He forced us to be credible.

To reach out to all parts of society. Last week, Labour didn’t do that. They retreated to the left.

Ed Miliband told delegates he could make all our problems disappear. That he could send everyone a cheque in the post.

But it isn’t based on truth. More borrowing and more debt remains their economic policy.

But they no longer dare talk to the British people about it. Instead, they’d much rather just talk about the cost of living.

As if the cost of living was somehow detached from the performance of the economy. Well you ask the citizens of Greece what happens to living standards when the economy fails. You ask someone with a mortgage what happens to their living standards when mortgage rates go up.

Just a 1% rise means an extra £1000 on the average mortgage bill. You ask the citizens of this country what would be an absolute disaster for living standards. They’ll tell you.


These aren’t the solution to lower living standards. They are the cause of lower living standards.

And this country is paying a very high price for that lesson. If you want to know the consequences of an Ed Miliband premiership, just look at the plan of the man who knows him best. His brother. David Miliband.


David and Ed Miliband. The greatest sibling rivalry since the Bible. Cain and not very Able.

Our own rescue mission for the British economy is far from complete. People know the difference between a quick fix con and a credible economic argument.

Here’s our serious plan for a grown-up country. First, sound money. The bedrock of any sustained recovery and improved living standards is economic stability.

That is what the hard work and sacrifice of the last three years has all been about.

In that time we have brought the deficit down by a third. And the British public know that whoever is elected will face some very hard choices.
Let me tell you the principles I bring to that task. Our country’s problem is not that it taxes too little.

It is that its government spends too much. So while no responsible Chancellor ever rules out tax changes, I think it can be done by reducing spending and capping welfare, not by raising taxes.

That’s my plan. And surely the lesson of the last decade is that it’s not enough to clean up the mess after it’s happened?

You’ve got to take action before it happens. It should be obvious to anyone that in the years running up to the crash this country should have been running a budget surplus.

That’s what we mean when we say they didn’t fix the roof when the sun was shining. Let us never make that same mistake again.

Never again should anyone doing my job be so foolish, so deluded, as to believe that they have abolished the age-old cycle of boom and bust.

So I can tell you today that when we’ve dealt with Labour’s deficit, we will have a surplus in good times as insurance against difficult times ahead.

Provided the recovery is sustained, our goal is to achieve that surplus in the next Parliament.

That will bear down on our debts and prepare us for the next rainy day. That is going to require discipline and spending control.

For if we want to protect those things we care about, like generous pensions and decent healthcare, and buy the best equipment for the brave men and women who fight in our armed forces, all of us are going to have to confront the costs of modern government – and cap working age welfare bills.

And only if we properly control public expenditure will we be able to keep lowering taxes for hardworking people in a way that lasts.

I’ve never been for tax cuts that are borrowed. I want low taxes that are paid for.

We also want to go on investing in the essential infrastructure of our country - the roads and railways and science and communications that are the backbone of the future economy.

So we should commit, alongside running a surplus and capping welfare, to grow our capital spending at least in line with our national income.

These principles will form the foundation of our public finance policy and I will set out the details next year.
And for those who ask: Is this necessary? I say: What is the alternative? To run a deficit for ever? To leave our children with our debts? To leave Britain perilously exposed to the next storm that comes?

This crisis took us to the brink. If we don’t reduce our debts, the next could push us over.

Let us learn from the mistakes that got Britain into this mess. Let us vow: never again

This time we’re going to run a surplus. This time we’re going to fix the roof when the sun is shining.

So first, our plan secures sound public finances. Second, it supports the aspirations of hard working people and lets them keep more of the money they earn.

We are increasing to £10,000 the amount you can earn before you pay a penny of income tax.

That is a real achievement, delivered in budget after budget by a Conservative Chancellor of the Exchequer.

The Liberal Democrats like to point out that during the election David Cameron said he’d love to increase the tax allowance, but warned it’s not easy to afford.

You know what? He did say that.

And he was right. The difficult thing is not increasing the tax-free allowance.

The difficult thing is paying for it. But we’ve done it.

The result: an income tax cut for 25 million people. Equivalent to a rise of almost 10% in the minimum wage.

Real money in peoples’ pockets. For we are the party of hard working people.

And to anyone who questions that I say: Go to the workplaces of Britain, like the huge Morrisons warehouse in Sittingbourne, and meet the fork lift truck drivers there.

Go to the Warburton factory near Birmingham. Meet the people who work all hours or meet the night crews repairing the M6.

Hardworking people better off because of Conservative tax cuts. These are the people we stand alongside.

And because we’re getting the public finances back under control, we’ve been able to help in other ways too.

Freezing council tax. Cutting beer duty. Tax free childcare. And thanks to our Prime Minister, now a one thousand pound married couples allowance too.
A Conservative promise made and a Conservative promise more than delivered.

We’ve cut fuel duty. Abolished Labour’s escalator.

And I can tell you today that provided we can find the savings to pay for it, I want to freeze fuel duty for the rest of this Parliament.

Conservatives don’t just talk about being on the side of hardworking people. We show it day in day out in the policies we deliver.

People aspire to keep more of their income – tax free. And many aspire to run their own business and work for themselves.

My parents planned carefully, took a risk, and set up a small manufacturing company more than forty years ago. The company grew. Employed more people.

And the life of the family business - the orders won, the first exports, the recessions and recoveries - these were the backdrop of my childhood.

I’m hugely proud of my parents - of what my parents achieved. And I’m proud that they’re here in this hall today.

You should know this about me: I will always be on the side of those who use their savings, take a risk, and put everything on the line to set up their own company.

Labour increased small business tax. I’ve cut it. Labour were extending business rates to the smallest firms. I’ve exempted them.

Now, our new Employment Allowance is going to take a third of all the businesses out of paying national insurance altogether.

We Conservatives are nothing if we’re not the party of small business, and that’s the way it’s going to stay. And we’re the party of home ownership too.

I’m the first person to say we must be vigilant about avoiding the mistakes of the past. That’s why I gave powers to the Bank of England to stop dangerous housing bubbles emerging.

But too many people are still being denied the dream of owning their own home. So instead of starting the second phase of Help to Buy next year, we’re starting it next week.

There are some people - many living in the richest parts of London - who say we shouldn’t be doing these things. I have this to say:

Take you arguments down the road to Nelson or Colne, where house prices have fallen for the past five years. Take your arguments to Bury, or Morecambe, where young working couples are still living at home with their parents.
Take your arguments to our great towns and cities where there are families who have saved for years, earning decent salaries, who can afford the mortgage repayments but can't possibly afford the deposit being asked by the banks these days.

Take your arguments to those families and say: “This policy is not right. You shouldn't be allowed to get your home.”

I tell you what they'll say back: “It's alright for you. You've got your own home. We’ve been saving for years. What about us?”

I know whose side this Party is on. We are the party of aspiration. The housebuilding party of Macmillan.

The party of Thatcher's right to buy. And now the party of David Cameron’s Help to Buy. We are the party of home ownership and we’re going to let the country know it.

We are also going make sure no one is left behind as our economy recovers. Our goal is nothing short of a recovery for all.

That’s the third part of our economic plan. Lectures from the Left on fairness, quite frankly, stick in the throat.

Under their government: the richest paid lower tax rates than their cleaners; tax avoidance boomed; inequality increased; youth unemployment doubled; the gap between the north and the south grew; and the number of households where no one worked reached record levels.

Fair? Theirs was the unfairest government of them all. And contrast this with what we have done.

And when I say we, I mean we Conservatives. I sit at that Cabinet table and I know who has really put forward the policies that are delivering a fairer society.

The pupil premium to support the most disadvantaged children: that was Michael Gove’s idea, front and centre of the last Conservative manifesto.

Our commitment on international aid. Delivered by Andrew Mitchell and Justine Greening. Action on domestic violence – that’s Theresa May

The international campaign to get rape recognize as a war crime – led by William Hague. New care standards for the elderly - Jeremy Hunt.

The anti avoidance measures in Budget after Budget: The painstaking work of our Conservative Treasury team Greg Clark, David Gauke, Sajid Javid, and Amber Rudd.

Powers to the Cities, rights for gay people, the biggest ever rise in the state pension. All delivered by Conservatives in Government.
And the overhaul of our entire welfare system, making sure work always pays. That’s Iain Duncan Smith’s life’s mission.

These are all achievements of the modern, reformed, Conservative party we have worked so hard to create. But as we change our party and govern our country, there is still more to do.

I am part of the generation of Conservatives that came after the great struggles of the 1980s. That government rescued the country from a tail-spin of decline.

It laid the foundations of the renewal of cities like Manchester. But we shouldn’t pretend we got everything right.

Old problems were solved. But some new problems emerged. In some parts of the country, worklessness took hold and we didn’t do enough to stop that.

And as a local Member of Parliament here, I know that in some parts of the North of England we still have to work hard to overcome the long memories of people who thought we didn’t care.

Labour made that problem of welfare dependency worse. By the time they left office, five million people were on out of work benefits.

What a waste of life and talent. A generation of people recycled through the job centres, collecting their dole cheques year in year out, and no one seemed to notice.

And an open-door immigration policy meant those running the economy didn’t care. There was always an uncontrolled supply of low-skilled labour from abroad.

Well, never again. We’ve capped benefits and our work programme is getting people into jobs.

We’ve cut immigration by a third. But what about the long term unemployed?

Let us pledge here: We will not abandon them, as previous governments did.

Today I can tell you about a new approach we’re calling Help to Work. For the first time, all long term unemployed people who are capable of work will be required to do something in return for their benefits, and to help them find work.

They will do useful work putting something back into their community. Making meals for the elderly, clearing up litter, working for a local charity.

Others will be made to attend the job centre every working day. And for those with underlying problems, like drug addiction and illiteracy, there will be an intensive regime of support.

No one will be ignored or left without help. But no one will get something for nothing. Help to work – and in return work for the dole.
Because a fair welfare system is fair to those who need it and fair to those who pay for it too. Our economic plan. Sound finance. Backing aspiration. No-one left behind.

Investing in the future. At the end of next week, I’m travelling to China.

And when you visit a metropolis like Guangzhou or Shenzhen, it’s hard not be awed by the scale of what is happening there, by the ambition and the drive.

Some say we shouldn’t even try to compete against China because it’s the sweatshop of the world. But the world is changing.

And China is now also a huge market for our exports and a home of innovation and technological advance. This is a huge challenge for our country.

But if we get it right, it is the key to our future prosperity. That is what the debate about living standards is really all about.

I don’t want to see other nations pushing the frontiers of science and invention and commerce and explain to my children: that used to be us; that used to be our country.

I don’t want to look back and say I was part of a generation that gave up and got poorer as a result. We don’t have to be.

The other day I went to meet the people building a car that will travel at a thousand miles an hour and break the land speed record.

And it’s not being built in Boston by some huge American defence company. It’s not being built in Beijing by the Chinese Government.

It’s called the Bloodhound. Built in Bristol by British engineers and British apprentices and British companies.

That’s why I say we are in charge of our own destiny.

And here in this great railway hall can you imagine the nation of Isambard Kingdom Brunel being unable to summon the will to join the north and the south with a high speed railway and bring more jobs and prosperity to great cities like this?

We will complete this great work of engineering in the best tradition of our country. And should we accept that this nation that mined deep for coal, and took to the cold, stormy seas to search for oil, will turn its back on new sources of energy like shale gas? No.

We absolutely should not. Should we, the country that built the first civil nuclear power station, say: “we are never going to build any more – leave it to others?”

Not on my watch. Should we, the nation of Newton and Crick, here in the city of Rutherford and Turing, should we say:
“Let others in the world lead mankind’s scientific endeavour It’s all too difficult for us?”

No. Let’s mass sequence the human genome, promote genetic research and pioneer the materials of the future like graphene.

Here in Manchester, where the industrial age began, the atom was first split, and the modern computer first built, we’re going to confront that tendency that says. Stop the world I want to get off. We say: “Not for us the comfort of the past”.

Ours is the Britain of the future. Earlier this year, the greatest of our peacetime prime ministers died.

I was there in the Cathedral at that emotional farewell. And as I looked at the coffin in front of me, draped in the Union flag, I thought to myself: for what will Margaret Thatcher best be remembered?

Her strength? Her conviction? The simple fact she was the first woman prime minister.

Yes, she’ll be remembered for all of those things. But for me, what she really had was: optimism.

She refused to accept that Britain was in terminal decline. She believed Britain had a great future.

That British people could lead better and more prosperous lives.

And so do we. We are at our best when we are optimists.

We are at our best when we have faith that our country’s better days lie not behind us, but ahead. We’ve fought hard battles these last three years.

Held our nerve when all around urged us to give in. And I want people to look back at these years and say: yes, these were the years of difficult cuts and sacrifice.

But this was also the time when I bought my first home, set up my business, and when our country invested in the things that matter for our future.

These were the years when we laid the sound economic foundations on which better living standards are built, the sound foundations without which better living standards cannot be built.

This is the time for a serious plan for a grown up country. We’re turning Britain around. And we say to the people of this nation:

We rescued the economy together. We’re going to recover together.

And together, we’re going to share in the rewards. For the sun has started to rise above the hill. And the future looks brighter than it did, just a few dark years ago.
David Cameron (2012) – ‘Welfare Speech’

On my first night as Prime Minister, I said we would build a more responsible society.
Where we back those who work hard and do the right thing.
Where we look after the elderly and frail.
Where - as I put it - those who can, should; and those who can’t, we will always help.
Building that society is simply not possible without radically reforming welfare.

Today, almost one pound in every three spent by the Government goes on welfare.

In a world of fierce competitiveness - a world where no-one is owed a living - we need to have a welfare system that the country can properly afford.

The system we inherited was not only unaffordable.
It also trapped people in poverty and encouraged irresponsibility.

So we set to work.

In two years, Iain Duncan Smith has driven forward welfare reform on a scale and with a determination not seen since World War Two.

He is a great, reforming Minister, with a passion and commitment that shine through.
And he is delivering remarkable results:

Over 400,000 more people in work than in 2010.

Tens of thousands of claimants of incapacity benefits re-assessed, and found ready for work.

We’ve established the biggest-ever Work Programme - and we’re well on our way to getting 100,000 people into jobs.

We’ve helped tens of thousands of young people find real work experience.

Reformed and reduced the extent of tax credits. Tightened up housing allowances.

Capped benefits so that in general, no one can claim more than the average family earns.

And we’ve laid the foundation for Universal Credit.

This has the potential to be one of the most significant reforms for a generation.
Ending the nonsense of paying people more to stay at home than to get a job - and finally making sure that work really pays.

What Iain Duncan Smith has achieved over the past two years.

Refusing to accept the status quo, turning around huge numbers of lives is truly remarkable.

But the job we have set ourselves, of building a welfare system that truly works - that supports the responsible society - that job is not yet complete.

So today I want to talk not just about what we’ve done, but where we go from here.

There are three component parts of the welfare system.

First there are benefits for the elderly.

These account for around £110 billion of the total welfare bill - the lion’s share of which is spent on pensions.

One very important value should sit at the heart of our pension system.

If you have worked hard all your life, then you deserve real dignity and security in your old age.

That’s why we restored the link between pensions and earnings - and ensured through the triple-lock that pensions would rise according to whichever was highest: earnings; inflation; or 2.5 per cent.

It’s why back in April we delivered the biggest-ever cash rise in the full basic state pension - an extra £5.30 a week.

And it’s why we’re bringing in the single-tier pension.

This means that instead of a complicated pension with endless top-ups, there will be a straightforward, flat rate of around £140 a week.

This act of simplification is incredibly important.

It’s going to pull hundreds of thousands out of means-testing.

It’s going to help make saving pay.

And it’s going to give pensioners more peace of mind, because they will have more clarity about what they’re going to get - and they can save for the future with greater confidence.

This is quite simply about doing the right thing by those who have done the right thing all their lives and I’m proud that we are the government taking this forward.
There is also a debate about some of the extra benefits that pensioners can receive - and whether they should be means-tested.

On this I want to be very clear: two years ago I made a promise to the elderly of this country and I am keeping it.

I was elected on a mandate to protect those benefits - so that is what we have done.

Next, we’ve got disability benefits for those who aren’t receiving a pension, which account for almost £10 billion of the total welfare bill.

Again, this was an area in need of reform.

Over the past decade, the number claiming Disability Living Allowance as a whole shot up from 2.5 million to 3.2 million.

Two thirds of the DLA caseload have an award for life.

And incredibly, half of new claimants never had to provide medical evidence.

When you know, as I do, how much help genuinely disabled people need, then you can’t just ignore it when the system isn’t working properly.

On the one hand, it’s not right that someone can get more than £130-a-week DLA simply by filling out a bit of paper.

But on the other, it’s not right that those with serious disabilities have nightmare 38-page forms to fill in.

So we’re bringing in a system that’s fairer and simpler.

And crucially, we’re introducing proper, objective assessments, so that money goes to people who truly need it, with more for the severely disabled.

At the end of all this there will continue to be generous disability benefits - and rightly so.

But it’s in the third component of welfare - working-age benefits - that the really big arguments for the future lie.

Partly because this accounts for a huge amount of money - around £84 billion a year.

But mainly because it’s here that things have gone truly awry.

We inherited, quite simply, a mess of perverse incentives, mind-numbing complexity and real unfairness.

Here are just a few examples of what’s possible in that system.
Take a couple living outside London.

He’s a hospital porter, she’s a care-worker.

They’re both working full-time and together they take home £24,000 after tax.

They’d love to start having children - and they know they’d get some help from the state if they did so.

But with the mortgage and the bills to pay, they feel they should keep saving up for a few more years.

But the couple down the road, who have four children, haven’t worked for a number of years.

Each week they get £112 in income support, £61 in child benefit, £217 in tax credits and £141 in housing benefit - more than £27,000 a year.

Even after the £26,000 benefit cap is introduced, they’ll still take home more than their neighbours who go out to work every day.

Can we really say that’s fair?

Next there’s the situation with young people who want to leave home.

Take two young women living on the same street in London.

One studied hard at college for three years and found herself a full-time job - say as a receptionist - on £18,000 a year, or about £1200 take-home pay a month.

She’d love to get her own place with a friend - but with high rents in her area, the petrol to get to work and all the bills, she just can’t afford it.

So she’s living at home with her mum and dad and is saving up desperately to move out.

Then there’s another woman living down the street.

She’s only 19 years-old and doesn’t have a job but is already living in a house with her friends.

How?

Because when she left college and went down to the Job Centre to sign on for Job Seeker’s Allowance, she found out that if she moved out of her parents’ place, she was automatically entitled to Housing Benefit.

So that’s exactly what she did.
Again, is this really fair?

And then there are the hundreds of thousands of commuters who travel long hours each day because they work in places like central London.

Places where they couldn’t possibly afford to rent or buy on the money they’re earning.

But at the same time, in those places where they’re working but can’t afford to live, there are people on salaries of £40, £60, £80,000 paying sub-market rents and living in council houses.

What these examples show is that we have, in some ways, created a welfare gap in this country between those living long-term in the welfare system and those outside it.

Those within it grow up with a series of expectations: you can have a home of your own, the state will support you whatever decisions you make, you will always be able to take out no matter what you put in.

This has sent out some incredibly damaging signals.

That it pays not to work.

That you are owed something for nothing.

It gave us millions of working-age people sitting at home on benefits even before the recession hit.

It created a culture of entitlement.

And it has led to huge resentment amongst those who pay into the system, because they feel that what they’re having to work hard for, others are getting without having to put in the effort.

The system is saying to these people:

Can’t afford to have another child? Tough, save up.

Can’t afford a home of your own? Tough, live with your parents.

Don’t like the hours you’re working? Tough, that’s just life.

So there is a real welfare gap that exists in our country.

Now when we look at how we got into this mess, we can go back in time and see a lot of good intentions.

Why does the single mother get the council house straightaway when the hard-working couple have been waiting for years?
Because governments and local councils wanted to make sure children got a decent start in life, so mothers were given priority for council housing.

Why do we have people on big salaries living in council houses?

Because governments wanted social housing to support hard-working people, so the eligibility criteria were set wide and the tenures long.

Why has it become acceptable for many people to choose a life on benefits?

Because governments wanted to give people dignity while they are unemployed - and while this is clearly important, it led us to the wrong places.

To job seekers being called ‘customers’ instead of claimants and to conditionality on benefits being set at the bare minimum.

As well as the good intentions of governments, there was that assumption of trust at the heart of the system.

That people would naturally do the right thing.

That they would use the system when they fell on hard times but then work their way out of it.

This may have worked when the welfare state was born, when there was a stronger culture of collective responsibility in this country.

But as I’ve argued for years, the welfare system has helped to erode that culture.

From the couple told they’ll get more benefits if they live apart, to those who knew they could earn more by signing on than by going out to work.

Time and again people were not just allowed to do the wrong thing, but were actively encouraged to do so.

That’s how we got here.

How do we get out?

Some say the answer is more money.

The argument goes that if you give more welfare money to those who are higher up the income scale as well as those at the bottom then you iron out the perverse incentives that encouraged people not to work, not to save, not to do the right thing.

Indeed, that’s part of the thinking behind Universal Credit - it’s about helping more people to escape the poverty trap and get on in life.
But anyone thinking we can just keep endlessly pumping money in is wrong.

Frankly, to quote the last government, there is no money left.

We’re already spending one pound in eight on working-age welfare - twice as much as we spend on defence.

The truth is we can’t just throw money at the problem and paper over the cracks.

The time has come to go back to first principles; to have a real national debate and ask some fundamental, searching questions about working-age welfare.

What it is actually for.

Who should receive it.

What the limits of state provision should be and what kind of contribution we should expect from those receiving benefits.

Let me take each in turn.

As I do so I want to stress now that these are not policy prescriptions; they are questions that we as a country need to ask in a sensible national debate.

First, let’s be clear what working-age welfare is for.

More than anything else, it is about providing a safety net.

You fall into it if times are hard, and it helps you back out again.

[political content excised]

It’s what the Deputy Prime Minister has rightly called the poverty plus a pound approach: push people one pound over the poverty line and consider the job done.

As Iain Duncan Smith has argued so powerfully, that might look good on the government spreadsheet but it means next to nothing on the ground.

Crucially, it doesn’t address the causes of poverty.

You can give a drug addict more money in benefits, but that’s unlikely to help them out of poverty; indeed it could perpetuate their addiction.

You can pump more cash into chaotic homes, but if the parents are still neglectful and the kids are still playing truant, they’re going to stay poor in the most important senses of the word.
So this government is challenging the old narrow view that the key to beating poverty is simply income re-distribution.

Of course money is vital.

That’s why we’ve increased child tax credits for the poorest families.

But our argument - and our approach - has two important parts.

First, we must treat the causes of poverty at their source...

...whether that’s debt, family break-down, educational failure or addiction...

Second, we’ve got to recognise that in the end, the only thing that really beats poverty, long-term, is work.

We cannot emphasise this enough.

Compassion isn’t measured out in benefit cheques - it’s in the chances you give people...

...the chance to get a job, to get on, to get that sense of achievement that only comes from doing a hard day’s work for a proper day’s pay.

That’s what our reforms are all about.

Transforming lives. Helping people walk taller.

Attacking the complacent, patronising view that said all millions of working-age people were good for was receiving from the state.

And saying: no - self-reliance is in everyone. Industry is in everyone. Aspiration is in everyone. No-one is a write-off.

That’s why getting people into jobs is central to our vision for making this country stronger and we need to keep building a system that delivers this vision.

Yes, a genuine safety net for those who need it but also a strong minimum wage to draw people into work and prevent exploitation.

And crucially, a tax system and tax credits so that people are incentivised to work.

This is the vision for working-age welfare and it follows from this that we need to think harder about who receives it.

If it is a real safety net, then clearly it’s principally for people who have no other means of support, or who have fallen on hard times.

But there are many receiving today who do not necessarily fall into these camps.
For example, the state spends almost £2billion a year on housing benefit for under-25s.

There are currently 210,000 people aged 16-24 who are social housing tenants.

Some of these young people will genuinely have nowhere else to live - but many will.

And this is happening when there is a growing phenomenon of young people living with their parents into their 30s because they can’t afford their own place - almost 3 million between the ages of 20 and 34.

So for literally millions, the passage to independence is several years living in their childhood bedroom as they save up to move out.

While for many others, it’s a trip to the council where they can get housing benefit at 18 or 19 - even if they’re not actively seeking work.

Again, I want to stress that a lot of these young people will genuinely need a roof over their head.

Like those leaving foster care, or those with a terrible, destructive home life and we must always be there for them.

But there are many who will have a parental home and somewhere to stay - they just want more independence.

The point is this: the system we inherited encourages them to grab that independence, rather than earn it.

Perversely, the benefits system encourages this process from one generation to the next.

If a family living on benefits wants their adult child to stay living at home they are actually penalised - as soon as that child does the right thing and goes out to work.

You get what’s called a non-dependent deduction, removing up to £74 off your housing benefit each week.

I had a heartrending letter from a lady in my constituency a few weeks ago who said that when her son leaves college next month, her housing benefit will drop significantly, meaning her family may have to split up.

This doesn’t seem right.

In effect, the state doesn’t just open a door to dependency for young people, it drags them in.

And this marks us out from many other countries in Europe, where the emphasis on family responsibility is much stronger.
In Holland, for instance, the welfare system doesn’t provide for under-21s as a default - and where it does, it expects their family to contribute if they can.

So if they’re on means-tested benefit and are getting about 230 Euros a month, it’s usually for their parents to top that up.

And compared to here, the qualifying criteria for young people to get financial help with housing are much tighter.

So we have to ask: up to what age should we expect people to be living at home?

Another question has to be asked about those on high salaries in social housing.

Today there are between 12,000 and 34,000 households with incomes of over £60,000 living in council houses.

Between 1,000 and 6,000 council house occupants earn over £100,000.

This is a difficult area.

We don’t want to stop people striving and climbing up the ladder in case they lose their home.

But when you have people on £70,000 a year living for £90 or so a week in London’s most expensive postcodes you have to ask whether this is the best use of public resources.

Every pound that is used to subsidise those rents effectively comes from someone else’s wages.

So this is another area for debate: who should be entitled to have their own home, funded by the state?

Next, we need a debate about the limits of state provision.

There are national questions we have to ask.

This year we increased benefits by 5.2 per cent.

That was in line with the inflation rate last September.

But it was almost twice as much as the average wage increase.

Given that so many working people are struggling to make ends meet we have to ask whether this is the right approach.

It might be better to link benefits to prices unless wages have slowed - in which case they could be linked to wages.
There are a number of options we could look at.

There’s also a whole debate about how long the state should provide at a particular rate.

Back in the 90s the Clinton administration in the US started time-limiting benefits, and they saw federal case-loads fall by over 50 per cent.

Instead of US-style time-limits - which remove entitlements altogether - we could perhaps revise the levels of benefits people receive if they are out of work for literally years on end.

It is extraordinary that there are 1.4 million people in this country who have been out of work for at least nine of the past 10 years.

So softer time-limits - that increase the incentive to work, that stop people getting stuck in that welfare trap - could be something we consider.

I don’t deny that these are big, tough questions.

But when you have got 300,000 children living in households where no one has ever worked, then you cannot shy away from them any longer.

As well as these general questions about the limits of state provision, we need to look at specific benefits.

Housing benefit is one of them.

The benefit cap is going to put a stop to the most outrageous cases.

The families getting £80, £90, £100,000 a year to live in homes that most people who pay the taxes towards those benefits could not possibly afford.

But still, there are questions about whether some people in some places are receiving too much, particularly given the hard times we’re in.

People can still seek support for housing up to a rate of £20,000 a year - that’s actually over 25 per cent higher than the average rent paid in London.

Just think what that figure means.

What would someone in work have to be earning to afford rent of £20,000 a year?

If rent is typically about a third of post-tax income, they’d have to be on a salary of at least £80,000.

That is in the top five per cent of the population.
Surely we should ask if it’s fair that the maximum amount that you can get on housing benefit is set at a level that only the top five per cent of earners would otherwise be able to afford.

Meanwhile those who work in expensive postcodes who aren’t on benefits typically have to move further out and commute in to work.

So this is a question that needs to be asked: should those on benefits be financially helped to live exactly where they want to?

And when talking about state provision and its limits, there is another area we need to look at and that is the interaction of the benefit system with the choices people make about having a family.

I’ve already talked about how many people have to think very carefully about whether they can afford to have children and how many they could have.

But let’s look at the signals that the welfare system sends out.

If you are a single parent living outside London - if you have four children and you’re renting a house on housing benefit - then you can claim almost £25,000 a year.

That is more than the average take-home pay of a farm worker and nursery nurse put together.

Or let me put this another way.

For most in work when they have a child their income will change very little but for many on out-of work benefits, their income will change substantially.

That is a fundamental difference.

And it’s not a marginal point.

There are more than 150,000 people who have been claiming Income Support for over a year who have 3 or more children and 57,000 who have 4 or more children.

The bigger picture is that today, one in six children in Britain is living in a workless household - one of the highest rates in Europe.

Quite simply, we have been encouraging working-age people to have children and not work, when we should be enabling working-age people to work and have children.

So it’s time we asked some serious questions about the signals we send out through the benefits system.

Yes, this is difficult territory.
But at a time when so many people are struggling, isn’t it right that we ask whether those in the welfare system are faced with the same kinds of decisions that working people have to wrestle with when they have a child?

The last area for debate is about what we should expect from those receiving benefits.

For example, it is still possible to stay on benefits for years without gaining basic literacy and numeracy skills.

But isn’t this something we should expect of people, considering these skills are almost essential to getting work?

Bizarrely there is also no requirement to have a CV.

But shouldn’t this be the very thing that’s asked of people before they even walk into the job-centre?

And we have yet to introduce a system whereby after a certain period on benefits, everyone who was physically able to would be expected to do some form of full-time work helping the community, like tidying up the local park.

But wouldn’t this be a perfectly reasonable thing to expect?

In Australia robust, rigorous activity such as ‘work for the dole’ is standard after just six months.

For those on sickness benefits too, it might be reasonable for them to take more steps to improve their health.

Today if someone is signed off work with a bad back there’s no requirement to take steps to get well to keep on receiving that benefit - even if they could be getting free physiotherapy to get back to health and start working again.

And we also need to ask if single parents living on benefits can do more to prepare for work.

Today, we have 580,000 lone parents on out-of-work Income Support.

Before this Government came to office, single parents weren’t required to look for work until their youngest child was seven years old - up to three years after they’ve started primary school.

We thought that needed changing - so we’re bringing it down to five years-old, about the age they start school.

But now there is free childcare for all children from age three, that does prompt a question about how some of that time - 15 hours a week, more than a thousand hours over a couple of years - should be used by parents on Income Support.
Of course this is hard.

If you’ve got a small child in nursery for three hours in the morning then I’m not suggesting you’d be able to get them there, get home, get to work, do a shift then pick them up again.

Childcare can be incredibly awkward.

Sometimes the hours just don’t fit.

But even if there’s no scope for actually working, there should at least be for preparing to work: getting down to the job centre; writing a CV; learning new skills.

The current commitment - which is just to visit the Job Centre once every three months or every six months - does not seem to me to be enough, especially in the light of the free childcare that’s now there.

And in this debate about contribution, there is an argument to be made for recognising and rewarding those who have paid into the system for years.

Today we treat the man who’s never worked in the same way as the guy who’s worked twenty years in the local car plant, lost his job and now needs the safety net.

So here we could ask whether your reward for paying in is that you won’t have to face all the tough conditions that we’re imposing on those who haven’t paid anything into the system at all.

This is very simply about backing those who work hard and do the right thing.

So these are just some of the questions I think we need to have in this debate.

Some provocative; some obvious; some long overdue.

There’s a number of questions I haven’t addressed.

Like if it’s right that people continue to have the option of leaving school and going straight onto benefits, without ever having contributed to the system in any way.

Or if it’s right that we are paying non-contributory benefits to those people who don’t even live in this country.

Or if it’s right that we continue to pay the vast majority of welfare benefits in cash, rather than in benefits in kind, like free school meals.

But for all, there are broader questions about timing.

About whether, if they were to happen, these changes would be made in one go and affect existing recipients - what is called ‘the stock’.
Or whether it is right that these changes would just affect future recipients - or what is called the ‘flow’ - so people coming in to the system would know more clearly what is expected of them.

For now, both stock and flow options should be there on the table.

And there is also, more immediately, a question of timing about when these questions will be asked - in this Parliament or the next.

On some of them I hope to work with our coalition partners over the next few years.

[political content excised]

I said something else on the steps of Downing Street on my first night as Prime Minister.

That we would confront the problems that are holding Britain down and face up to the big challenges.

Those words are put to the test on welfare.

There are few more entrenched problems than our out-of-control welfare system and few more daunting challenges than reforming it.

Raising big questions on welfare, as I have today - it might not win the government support.

Frankly a lot of it might rub people up the wrong way.

But as I’ve argued, the reform of welfare isn’t some technocratic issue.

It’s not about high-level accounting to get the books in order.

It’s about the kind of country we want to be - who we back, who we reward, what we expect of people, the kind of signals we send to the next generation.

So no matter how tough it is, we are going to ask the big questions.

Because governing is not a popularity contest.

It’s about doing what is right for our country not just for today but for the long-term - and that is what we are determined to do.
George Osborne (2013) Benefits Speech

Good afternoon, thank you for inviting me to be here at Morrison’s today.

One of your company slogans – “every penny matters” – is a very fitting catchphrase for what I want to talk about.

I want to talk about the major changes we’re making to our tax and welfare system this month. Changes that are all about making sure that we use every penny we can to back hard working people who want to get on in life.

Changes that are all about backing people like you.

For too long, we’ve had a system where people who did the right thing – who get up in the morning and work hard – felt penalised for it, while people who did the wrong thing got rewarded for it.

That’s wrong.

So this month we’re going to put things right.

This month, 9 out of 10 working households will be better off as a result of the changes we are making.

This month we will make work pay.

Now, those who defend the current benefit system are going to complain loudly.

These vested interests always complain, with depressingly predictable outrage, about every change to a system which is failing.

I want to take the argument to them.

Because defending every line item of welfare spending isn’t credible in the current economic environment.

Because defending benefits that trap people in poverty and penalise work is defending the indefensible.
The benefit system is broken; it penalises those who try to do the right thing; and the British people badly want it fixed.

We agree – and those who don’t are on the wrong side of the British public.

But this isn’t just an argument about whether these changes are fair or not.

It’s really about the future of our country.

When I think about the future, I think about the kind of country my kids and your kids are going to grow up in.

The world is going to be quite a different place.

We’re facing more and more competition from vast new economies like China and India.

There are quite literally billions of people who are joining the world economy. That’s human progress. If we’re not careful, Britain risks being out-worked, out-competed and out-smarted by those hungry for a better life.

Fortunately, this country has a lot of strengths. British people are some of the hardest workers in Europe.

Our companies produce some of the best inventions in the world.

But we aren’t going be able to compete if politicians waste your money or we rack up debts we can’t afford to pay off.

When I became Chancellor, we were forecast to have the biggest deficit of any major economy in the world.

The deficit is the gap between what the Government spends and what it raises – and in Britain that gap got bigger than almost anywhere else.

By taking hard decisions in the last few years to save money, this Government has cut that deficit by a third.

But it’s still too high.
Because of that deficit, seven pence in every pound of tax you pay is going to be wasted.

It will have to be spent not even on paying off the national debt – but just servicing the interest on that debt.

You spend hours here working hard.

You pay your taxes out of your earnings.

I want every penny of that money to be spent on the things that matter to you and your family: a better NHS, good schools and policing, strong defence, and decent pensions.

Not on paying the interest bills on the national debt.

Some politicians seem to think we can just wish away Britain’s debt problem.

They want to take the cowardly way out, let the debt rise and rise and just dump the costs onto our children to pay off.

I don’t think that would be fair.

And I don’t think we’d get away with it.

The interest charges would soar.

Interest rates would rocket.

People with mortgages would struggle.

Businesses with loans would go bust.

Jobs would be lost.

So we are making changes to our tax and benefit system so this country can live within its means and compete in the global race the Prime Minister has spoken of.
That’s what this speech is about – that’s what the changes we are making this month are about. It’s about making the country fairer – and protecting our future. And there are three things we are doing.

First, reforming the welfare system so it’s fair on people like you who pay for it, and fair on people who need help to look for work.

Second, creating jobs in our economy.

And third, making sure when people are in work, they can keep more of what they earn.

Let me take each in turn.

Let’s start with the welfare system.

I think people in this country understand that the welfare system needs to change.

In 2010 alone, payments to working age families cost £90 billion.

That means about one in every six pounds of tax that working people like you pay was going on working age benefits.

To put that into perspective – that’s more than we spend on our schools.

That’s one reason why we’ve got such a big deficit.

But the system was not just unaffordable.

It was fundamentally broken.

The system became so complicated, and benefits so generous, that people found they were better off on the dole than they were in work.

And the figures show what happened as a result.

Even at the end of the economic boom in 2008 there were more than four million working age people on out of work benefits.
And here’s the saddest fact of all.

We had nearly two million of our children living in families where no-one worked – the highest proportion of any country in the European Union, including countries much poorer than us.

That’s a worry for the future.

Once it becomes the norm in an area not to work, welfare dependency can become deeply entrenched, handed on from one generation to the next.

And governments of all colours let too many unemployed people get parked on disability benefits, and told they’d never work again.

Why?

Because people on disability benefits don’t get counted in unemployment figures that could embarrass politicians.

It was quick fix politics of the worst kind – and the people who lost out were you, hardworking taxpayers who had to pay for all this... and those on disability benefits who could have worked but were denied the opportunity to do so.

What this Government is trying to do is to put things right.

We’re trying to make the system fair on people like you, who get up, go to work, and expect your taxes to be spent wisely.

And we’re trying to restore hope in those communities who have been let down by generations of politicians by getting them back into work.

So our reforms have one simple principle at their heart – making sure people are better off in work than on benefits.

Take Housing Benefit.

When I took this job, I discovered there were some people who got £100,000 a year in Housing Benefit. £100,000 a year in benefit.
No family on an ordinary income could ever dream of affording a rent like that.

And you can imagine what that does for someone’s incentives to get a better paid job – because almost everything extra they earn will just be taken away from them in lower housing benefit.

We can’t have a system that penalises you for going out to work and wanting to get on. So we’ve put a stop to those staggering payments and put a cap on housing benefit.

We’ve made sure that you can’t get more than £400 of Housing Benefit a week in this country. That’s still a pretty generous amount.

And yet when we did the pressure groups and welfare lobby attacked it as not enough.

They still say that people should get more than £400 a week housing benefit.

They don’t seem to realise that the money to pay these benefits comes from people who work hard, who pay their taxes, and many of whom can’t afford £400 a week in rent.

This week, we’re bringing in further common sense changes to benefits.

We’re making savings to council tax benefit – that’s a benefit that went up by 50% previously.

And we’re also changing the housing benefit rules.

We’re saying that if you continue to live in a council house that’s bigger than you need, you’ll need to make a contribution towards the extra bedroom.

We’ve got 1.8 million families waiting for social housing, and yet there are a million spare rooms across the sector.

If you live in private rented accommodation and receive Housing Benefit – these rules already apply – and have done for nearly 20 years.

You don’t get money for a spare room.
Treating both groups of people the same, regardless of which landlord owns their house is only fair. Another change is taking place too.

Next week, on April 8th, we’re also making sure that benefits, in the economic jargon, are only uprated by one percent.

What this means in reality is that benefits won’t increase more than many people’s wages.

In these difficult economic times, many people in jobs haven’t seen their incomes rise by much, if at all.

Some have even seen it cut.

And we’re also having to impose a one percent salary increase on people in the public services like nurses and teachers.

So it’s only fair and right that the same rules apply to people on benefits.

Fair to you, people in work.

There’s another, even more significant change we’re making this month.

Families out of work can claim various different benefits – and they can end up with an income far higher than an average working family.

Why on earth would someone go out to work if that’s the case?

So this April we’re introducing the new Benefit Cap.

The Benefit Cap has a very simple principle at its heart: no family that’s out of work should receive more in total benefits than the average family gets in work.

The cap will be set at £500 for a couple, or someone with children, and £350 a week for a single adult.

That’s £26,000 a year for a family, or £18,000 for a single adult.
Most working people think frankly that’s pretty high – yet still the pressure groups complain it’s not high enough.

Who here, who pays their taxes, and pays for the benefit bills of others thinks £500 a week in benefits is too little?

Who here, who goes to work and sends money to the Government, thinks families that aren’t working should get more than £26,000 a year?

Exactly.

Those who campaign against a cap on benefits for families who aren’t working are completely out of touch with how the millions of working families, who pay the taxes to fund these benefits, feel about this.

We are on your side.

The new Benefit Cap will be introduced in parts of London from 15th April – before we roll it out across the country this summer.

With all our welfare changes, we’re simply asking people on benefits to make some of the same choices working families have to make every day.

To live in a less expensive house.

To live in a house without a spare bedroom unless they can afford it.

To get by on the average family income.

These are the realities of life for working people.

They should be the reality for everyone else too.

And we’re going to go further – replacing all those complicated benefits and tax credits with a single, simple Universal Credit which ensures you’re always better off working.

We’re trialling it in the North West of England this month – to make sure it’s ready for national roll out later this year.
Be in no doubt: reforming the welfare system is a big job, and it’s hard.

But I’m proud of what we’re doing to restore some common sense and control on costs.

In recent days we have heard a lot of, frankly, ill-informed rubbish about these welfare reforms.

Some have said it’s the end of the welfare state.

That is shrill, headline-seeking nonsense.

I will tell you what is true.

Taxpayers don’t think the welfare state works properly anymore.

When did this start to happen?

When we created a system that encouraged people to stay out of work rather than find a job.

Our reforms are returning welfare to its most fundamental principles – always helping the most vulnerable, but giving people ladders out of poverty.

And the politicians who should have to explain themselves are those who have given up on trying to get people working again.

In reality there’s nothing “kind” about parking people who could work on benefits. There’s nothing fair about a something for nothing culture.

The pundits and politicians who are spending this week firing off letters to newspapers, or touring the television studios, are missing what people actually want.

People don’t want a welfare system that keeps them in poverty.

Most people on benefits want to work.

They want a welfare system that helps them into work, that lifts them up, that gives them pride, self-worth and dignity.
That’s why we’re building a benefits system that means you’re always better off in work.

And that’s why we’re building an economy that creates real, lasting jobs.

For it wasn’t just our benefits system that was broken.

Our economy broke too.

Fixing that economy has been a hard, difficult process.

And yes, it’s taken longer than anyone hoped.

But we’re getting there.

We’re fundamentally rebalancing our economy, away from debt, away from the public sector, away from relying on a select few industries like the banks, away from being dependent on the City of London... ...to an economy where prosperity and businesses are shared across the country; an economy that invests in the industries of the future; an economy which makes things again and where there are good, well paid jobs not just for this generation – but for our children too, in that competitive world I told you about.

And we’re delivering results.

Over one million private sector jobs have been created in our economy over the last three years.

The rate of employment has risen faster here than in the US and three times as fast as in Germany.

Last year, more businesses started in this country than in any other year before.

And in industries like car manufacturing, Britain is now back to being a world leader.

So as well as all the benefit changes this April we’re also doing even more this month to make sure Britain competes and thrives and jobs are created here instead overseas.

Yesterday, corporation tax was cut to 23 percent – that means it’s lower here than in the other largest economies in the world.
And we will get it lower still, to 20%.

This week we are also introducing new research and development tax breaks so companies can invest in the high technology and intellectual property that are the future of the British economy.

And we’ll be abolishing the jobs taxes altogether on many hundreds of thousands of our small businesses in the coming year.

To help people who work in construction, and support families who want to own their own home, but can’t afford the deposits these days, we’re launching our new Help to Buy scheme this week.

And here’s another change we’re making.

On Saturday, the top rate of tax will be reduced from 50p to 45p.

I know this is controversial – but if we’re serious about Britain succeeding in the world, it’s an economic essential.

In a modern global economy, where people can move anywhere in the world, we cannot have a top rate of tax that discourages people from living here, setting up businesses here, investing here, creating jobs here.

If you don’t believe me, ask France.

They’re planning to whack up their top rate of tax – and you know what’s happening?

Job creation is down as people are leaving the country.

The opposite is happening here because we are welcoming entrepreneurs and wealth creators – and the jobs they bring with them

Let’s be clear. The 50p tax was a big tax con. When the 50p rate was introduced, the amount collected in income tax fell by billions of pounds as the wealthy paid less.

So we got the worst of both worlds: a tax rate that discouraged enterprise and didn’t raise more money from the rich.
You can’t pay down the deficit with that.

You can’t fund the health service with money that never arrives.

Giving Britain a sensible top rate of tax may not be a popular decision – but my job is not to take decisions that please everyone.

My job is to take the hard decisions that are right for the economy and the country – decisions that help create jobs and help Britain get ahead in this world and help give all our kids a brighter future.

So we’re reforming welfare to encourage work.

We’re boosting the private sector to create jobs so that those who want to work, can work.

The third part of our plan is to make sure when people are in work, they get to keep more of what they earn.

In other words to make sure you get to keep more of what you earn.

I’m a low tax Conservative.

I believe what you earn is your money, not the Government’s money.

So I want to take away less of it in tax, and leave you to spend it how you wish.

Give me the choice between people choosing how to spend their own money, or a politician choosing how to spend it, and I know who I would pick.

That’s good for the economy.

That’s good for society – the more people get to keep from what they earn, the more likely they are to work, the more independent and responsible they will be.

And it also simplifies the system.

Today, we have the bizarre situation where hundreds of thousands of people on low incomes pay tax, only to have to apply to get their money back again in benefits.
But it has to be a real tax cut – paid for by doing the hardworking of cutting back government spending.

Not a tax cut paid for with borrowed money – borrowed money that is paid for with higher taxes in the future.

This week – because we’ve done the hard work on spending – we’re bringing in the largest tax cut in a generation.

And it’s paid for.

From this Saturday, the personal allowance – the amount of money you can earn before you start to pay tax – will rise from £8,105 to £9,440.

Nine out of ten working households will be better off as a result of the reforms we’re making this month.

And the average working household will be better off by over £300 a year.

That’s roughly equivalent to an average monthly shop here at Morrison’s.

And next year, we’re going further.

We’re going to increase the personal allowance to £10,000.

Let me repeat that– from next April, you won’t pay any income tax at all on the first £10,000 you earn.

This will mean nearly three million more people will pay no income tax at all.

That’s £700 pounds less in tax for working families than when we came into office.

And let me make clear: we’re not doing it by borrowing more money – meaning you’ll pay for it down the road.

No, we can afford this because as a country we have taken some difficult decisions together on public spending– and it’s only right that the British taxpayer gets rewarded for that.
Let me end by saying this.

You sitting here know that there’s no easy way out of the problems that had built up in this country. We’re going through some tough times.

And we will hear plenty from the people who want to say there’s no debt problem.

People who say that there’s no benefits problem either.

That the changes we are making are unnecessary and unfair.

What we’re doing this coming week is making welfare fairer, helping to create jobs, and making sure all of you can keep more of what you earn.

We’re supporting hard working people.

That’s the way to protect our future, and make the country fairer too.
David Cameron (2013) Conservative Party Conference Speech

This week in Manchester we've shown this Party is on the side of hardworking people.

Helping young people buy their own home.

Getting the long-term unemployed back to work.

Freezing fuel duty.

Backing marriage.

Cutting the deficit.

Creating jobs.

Creating wealth.

Make no mistake: it is this Party with the verve, energy and ideas to take our country forward.

And I want to thank everyone here for the great week we've had.

When we came to office, we faced a clear and daunting task: to turn our country around.

In May 2010, the needle on the gauge was at crisis point.

People were talking about this country in a way they had not done for decades.

But three and a half years later, we are beginning to turn the corner.

The deficit is falling.

Our economy is growing.

The numbers of our fellow countrymen and women in work are rising.

We are not there yet, not by a long way.

But, my friends, we are on our way.

I want to thank the people who have done the most to get us this far.

You. The British people.

Never giving up. Working those extra hours. Coping with those necessary cuts.

You. British business. You kept people on in the hard times. Invested before you knew for certain that things were getting better.

Together - we are clearing up the mess that Labour left.
But I have a simple question, to the people in this hall and beyond it.

Is that enough?

Is it enough that we just clear up Labour’s mess and think ‘job done’?

Is it enough to just fix what went wrong?

I say - no. Not for me.

This isn't job done; it is job begun.

I didn't come into politics just to fix what went wrong, but to build something right.

We in this party - we don't dream of deficits and decimal points and dry fiscal plans.

Our dreams are about helping people get on in life.

Aspiration, opportunity: these are our words, our dreams.

So today I want to talk about our one, abiding mission.

I believe it is the great Conservative mission.

That as our economy starts to recover, we build a land of opportunity in our country today.

Now, I know, it'll be tough.

But I know we've got what it takes in this Party.

Some people say "can't be done" - Conservatives say "what's to stop us?"

They said we couldn't get terrorists out of our own country.

Well - Theresa knew otherwise...

...and that's why Abu Qatada had his very own May Day this year...

Didn't it feel good seeing him get on that plane?

Some people said the NHS wasn't safe in our hands.

Well - we knew otherwise.


Who started the Cancer Drugs Fund? Not Labour - us.

And by the way - who presided over Mid Staffs?

Patients left for so long without water, they were drinking out of dirty vases...
...people's grandparents lying filthy and unwashed for days.

Who allowed that to happen? Yes, it was Labour...

...and don't you dare lecture anyone on the NHS again.

And some people say a lot of things on Europe.

You'll never be able to veto an EU treaty.

You'll never cut the Budget.

And if you did these things - you'd have no allies in Europe.

Well we've proved them wrong.

I vetoed that treaty.

I got Britain out of the EU bail-out scheme.

And yes - I cut that budget.

And in doing all this, we haven't lost respect - we've won allies to get powers back from Europe.

That is what we will do...

...and at the end of it - yes - we will give the British people their say in a referendum.

That is our pledge. It will be your choice: in or out.

And friends, you know what someone said about us recently?

Apparently some Russian official said: Britain is "just a small island that no-one pays any attention to."

Really?

Let me just get this off my chest.

When the world wanted rights, who wrote Magna Carta?

When they wanted representation, who built the first Parliament?

When they looked for compassion, who led the abolition of slavery?

When they searched for equality, who gave women the vote?

When their freedom was in peril, who offered blood, toil, tears and sweat?

And today - whose music do they dance to?
Whose universities do they flock to?
Whose football league do they watch?
Whose example of tolerance of people living together from every nation, every religion, young and old, straight and gay?
Whose example do they aspire to?

I haven’t even got on to the fact that this small island beat Russia in the Olympics last year, or that the biggest-selling vodka brand in the world isn’t Russian, it’s British - Smirnoff - made in Fife.

...so yes, we may be a small island

but I tell you what, we're a great country.

But I want to make a serious point about our place in the world.

Following that vote on Syria in the House of Commons, some people said it was time for Britain to re-think our role.

I'm sorry - but I don't agree.

If we shrunk from the world we would be less safe and less prosperous.

The role we play, the organisations we belong to...

... and yes - the fact our defence budget remains the 4th largest in the world...

...all this is not about national vanity - it's about our national interest.

When British citizens -our fathers, mothers, daughters- are in danger...

...whether that’s in the deserts of Algeria or the city of Nairobi

then combatting international terrorism - it matters to us.

When five of the world's fastest growing economies are African,

then trading with Africa - and yes helping Africa to develop with aid - that matters to us.

And at the heart of all this work - the finest Foreign Secretary I could ask for: William Hague.

Around the world, we really do matter as a United Kingdom:

England, Wales, Northern Ireland and Scotland.

The date of the referendum has been set. The decision is for Scotland to make.
All the arguments about our economy, jobs, currency - I believe they make an unanswerable case for the UK.

But today I want a more simple message to go out to all the people of Scotland.

From us here in this hall, from me, from this party, from this country, from England, Wales, Northern Ireland

and it's this:

We want you to stay.

We want to stick together.

Think of all we've achieved together - the things we can do together.

The nations - as one.

Our Kingdom - United.

For 12 years now, men and women from all parts of these islands have been serving their country in Afghanistan.

Next year, the last of our combat troops will be coming home...

...having trained up the Afghans to look after their own country.

More than a decade of war.

Sacrifice beyond measure - from the finest and bravest armed forces in the world.

And I want us to stand, to raise the roof in here, to show just how proud of those men and women we are.

We in this room are a team.

And this year, we said goodbye to one of our team.

Margaret Thatcher made our country stand tall again, at home and abroad.

Rescuing our economy. Giving power to our people. Spreading home ownership. Creating work. Winning the Cold War. Saving the Falklands.

I asked her about her record once.

I was sitting next to her at a dinner - and I was really nervous.

As ever she was totally charming, she put me at ease...
...but after a while I said: "Margaret, if you had your time in Government again, is there anything you'd do differently?"

And she turned to me and said: "You know, I think I did pretty well the first time around."

Well we can all agree with that - and we can all agree on this...

...she was the greatest peace-time Prime Minister our country has ever had.

Margaret Thatcher had an almighty mess to clear up when she came to office and so did we.

We will never forget what we found.

The biggest Budget deficit in our peace-time history.

The deepest recession since the Second World War.

But it wasn't just the debt and deficit Labour left, it was who got hurt.

Millions coming here from overseas while millions of British people were left on welfare.

The richest paying lower tax rates than their cleaners.

 Unsustainable, debt-fuelled banks booming - while manufacturing withered away.

The North falling further behind.

Towns where a quarter of people lived on benefits.

Schools where 8 out of 10 children didn't get five decent GCSEs.

Yes, they were famously "intensely relaxed" about people getting filthy rich.

...but tragically, they were also "intensely relaxed" about people staying stuck on welfare year after year...

"intensely relaxed" about children leaving school without proper qualifications so they couldn't hope to get a job at the end of it.

That was it.

That was what they left.

The casino economy meets the welfare society meets the broken education system...
a country for the few built by the so-called party of the many.
and Labour: we will never let you forget it.

These past few years have been a real struggle.

But what people want to know now is: was the struggle worth it?

And here's the honest answer.

The struggle will only be worth it if we as a country finish the job we've started.

Finishing the job means understanding this.

Our economy may be turning the corner - and of course that's great.

But we still haven't finished paying for Labour's Debt Crisis.

If anyone thinks that's over, done, dealt with - they're living in a fantasy land.

This country's debt crisis, created by Labour, is not over.

After three years of cuts, we still have one of the biggest deficits in the world.

We are still spending more than we earn.

We still need to earn more and yes, our Government still needs to spend less.

I see that Labour have stopped talking about the debt crisis and now they talk about the cost of living crisis.

As if one wasn't directly related to the other.

If you want to know what happens if you don't deal with a debt crisis..

...and how it affects the cost of living...

...just go and ask the Greeks.

So finishing the job means sticking to our course until we've paid off all of Labour's deficit, not just some of it.

And yes - let's run a surplus so that this time we fix the roof when the sun is shining...

...as George said in that brilliant speech on Monday.

To abandon deficit reduction now would throw away all the progress we've made.

It would put us back to square one.

Unbelievably, that's exactly what Labour now want to do.

How did they get us into this mess?
Too much spending, too much borrowing, too much debt.
And what did they propose last week?
More spending, more borrowing, more debt.
They have learned nothing - literally nothing - from the crisis they created.
But finishing the job is about more than clearing up the mess we were left.
It means building something better in its place.
In place of the casino economy, one where people who work hard can actually get on.
In place of the welfare society, one where no individual is written off.
In place of the broken education system, one that gives every child the chance to rise up and succeed.
Our economy, our society, welfare, schools.
...all reformed, all rebuilt - with one aim, one mission in mind:
To make this country, at long last and for the first time ever, a land of opportunity for all.
For all.
So it makes no difference whether you live in the North or in the South, whether you're black or you're white, a man or a woman, the school you went to, the background you have, who your parents were.
...what matters is the effort you put in, and if you put the effort in you'll have the chance to make it.
That's what the land of opportunity means.
That's what finishing the job means.
Of course I know that others in politics may talk about these things.
But wishing for something, caring about something - that's not enough.
You can't conjure up a dynamic economy, a strong society, fantastic schools all with the stroke of a minister's pen.
It takes a mixture of hard work, common sense and - above all - the right values.
When the left say: you can't expect too much from the poorest kids; don't ask too much from people on welfare; business is the problem, not the solution.
Here in this party we say: that's just wrong.

If you expect nothing of people that does nothing for them.

Yes, you must help people - but you help people by putting up ladders that they can climb through their own efforts.

You don’t help children succeed by dumbing down education.

...you help them by pushing them hard.

Good education is not about equality of outcomes but bringing the best out of every single child.

You don’t help people by leaving them stuck on welfare.

...but by helping them stand on their own two feet.

Why? Because the best way out of poverty is work - and the dignity that brings

We know that profit, wealth creation, tax cuts, enterprise...

...these are not dirty, elitist words - they're not the problem...

...they really are the solution because it's not government that creates jobs, it's businesses.

it's businesses that get wages in people's pockets, food on their tables, hope for their families and success for our country.

There is no shortcut to a land of opportunity. No quick fix. No easy way to do it.

You build it business by business, school by school, person by person.

...patiently, practically, painstakingly.

And underpinning it all is that deep, instinctive belief that if you trust people and give them the tools, they will succeed.

This party at its heart is about big people, strong communities, responsible businesses, a bigger society - not a bigger state.

It's how we've been clearing up the mess.

And it's how we're going to build something better in its place.

So let's stick with it and finish the job we've started.

A land of opportunity starts in our economy.

The chance to get a decent job. To start a business. To own a home.
And at the end of it all - more money in your pocket.

To get decent jobs for people, you've got to recognise some fundamental economic facts.

We are in a global race today. No one owes us a living.

Last week, our ambition to compete in the global race was airily dismissed as a race to the bottom...

...that it means competing with China on sweatshops and India on low wages.

No - those countries are becoming our customers.

and we've got to compete with California on innovation; Germany on high-end manufacturing; Asia on finance and technology.

And here's something else you need to recognise about this race.

The plain fact is this.

All those global companies that employ lots of people - they can set up anywhere in the world.

They could go to Silicon Valley. To Berlin.

And yes, here in Manchester.

And these companies base their decisions on some simple things: like the tax rates in each country.

So if those taxes are higher here than elsewhere, they don't come here.

And if they don't come here, we don't get those jobs.

Do you get that, Labour?

British people don't get those jobs.

Last week Labour proposed to put up corporation tax on our biggest and most successful employers.

That is just about the most damaging, nonsensical, twisted economic policy you could possibly come up with.

I get to visit some amazing factories in my job.

One of my favourites is Jaguar Land Rover...

...not just because they actually let me get in a car and drive it around on my own...
...but really because I get to meet people there who are incredibly proud of their work and their craftsmanship...

...the fact that what they're making sells around the world - the best of British design and engineering.

So when Ed Miliband talks about the face of big business, I think about the faces of these hardworking people.

Labour is saying to their employers: "we want to put up your taxes. don't come here - stick your jobs and take them elsewhere".

I know that bashing business might play to a Labour audience.

But it's crazy for our country.

So if Labour's plan for jobs is to attack business - ours is to back business.

Regulation - down. Taxes - cut for businesses large and small. A new industrial policy that looks to the future - green jobs, aerospace jobs, life science jobs.

We've made a good start: 1.4 million new jobs created in our private sector since we came to office...

...and that is 1.4 million reasons to finish the job we've started.

In a land of opportunity, it's easier to start your own business.

To all those people who strike out on their own, who sit there night after night...

...checking and double checking whether the numbers stack up...

...I say I have so much respect for you - you are national heroes.

I'll never forget watching Samantha do just that - winning her first customer, sorting out the cash flow, that magic moment when she got her first business cards printed.

I was incredibly proud of her then - and I am incredibly proud of her now.

People setting up new businesses need finance - that's why we've brought in Start-up Loans.

They need their taxes cut - and we're doing it - up to £2000 off your National Insurance bill for every small business

And it's working.

Let me tell you how many businesses have started up in Britain since the election: over 300,000.
That is 300,000 more reasons to finish the job we've started.

In a land of opportunity, more people must be able to own a home of their own.

You know that old saying, your home is your castle?

Well for most young people today, their home is their landlord's.

Generation Y is starting to become Generation Why Do We Bother?

Millions of them stuck renting when they're desperate to buy.

I met a couple on Sunday - Emily and James.

They'd both had decent jobs, but because they didn't have rich parents, they couldn't get a big enough deposit to buy a house.

And let me tell you where I met them.

In their new home, bought with our Help to Buy mortgage scheme.

It was still half built, but they showed me where the kitchen would be.

Outside there was rubble all over the ground, but they'd already bought a lawn-mower.

And they talked about how excited they were to be spending a first Christmas in a home of their own.

That is what we're about.

And this, the party of aspiration is going to finish the job we've started.

In a land of opportunity there's another thing people need.

the most important thing of all.

more money in their pockets.

These have been difficult years.

People have found it hard to make ends meet.

That's why we've frozen council tax.

and why we are freezing fuel duty.

But we need to do more. I know that.

We've heard Labour's ideas to help with the cost of living.

Taxes on banks they want to spend ten times over.
Promising free childcare - then saying that actually, you've got to pay for it.

An energy promise they admitted 24 hours later they might not be able to keep.

It's all sticking plasters and quick fixes... cobbled together for the TV cameras.

Red Ed and his Blue Peter economy.

To raise living standards in the long-term, you need to do some major things:...

...you need to cut the deficit to keep mortgage rates low...

...you need to grow your economy, get people jobs...

...and yes - cut people's taxes.

I want people to keep more of their money.

We've already cut the taxes of 25 million hardworking people...

...and yes - that is 25 million more reasons to finish the job we've started.

We're Tories. We believe in low taxes. And believe me - we will keep on cutting the taxes of hardworking people.

And here in Manchester let me say this: when I say a land of opportunity for all I mean everyone - North and South.

This country has been too London-centric for far too long.

That's why we need a new North-South railway line.

The fact is this.

The West Coast mainline is almost full.

We have to build a new railway.

and the choice is between another old-style Victorian one - or a high speed one.

Just imagine if someone had said, no, we can't build the M1, or the Severn Bridge, imagine how that would be hobbling our economy today.

HS2 is about bringing North and South together in our national endeavour.

Because think of what more we could do with the pistons firing in all parts of our country.

With its wind and wave power, let's make the Humber the centre of clean energy.

With its resources under the ground, let's make Blackpool the centre of Europe for the shale gas industry.
With its brains and research centres, let's make Manchester the world leader in advanced materials.

We're building an economy for the North and South, embracing new technologies, producing things and selling them to the world.

So make no mistake who's looking forward in British politics...

...we'll leave the 1970s-style socialism to others...

...we are the party of the future.

We're making progress.

You know how I know that?

It's every week, at Prime Minister's Questions.

There was a time when I'd look across to Ed Balls, and there he was, shouting his head off, and doing this with his hands - screaming out the economy was flat-lining.

...and all with such glee.

But recently, it's gone a bit quiet.

Could it be because there was no double dip and the economy's now growing?

Well, I've got a gesture of my own for Ed Balls.

...and don't worry - it's not a rude one...

.jobs are up.

.construction is up.

...manufacturing is up...

.inward investment.

.retail sales.

.homebuilding...

.business confidence.

.consumer confidence - all these things are up.

And to anyone who wants to talk our economy down, let me tell you this.

Since this conference began, over 100,000 jet planes have soared into the sky on wings made in Britain.
Every single day in this country, over 4,000 cars are coming off the production line - ready to be exported around the globe.

Last year, Britain overtook France as Germany's top trading partner...

...not bad for a nation of shop-keepers.

And that's the point.

Exports to China are up.

Exports to Brazil are up.

Exports to India, Russia, Thailand, South Korea, Australia - all up.

So let us never forget the cast-iron law of British politics...

Yes - the oceans can rise.

...and empires can fall.

...but one thing will never, ever change.

...it's Labour who wreck our economy and it's we Conservatives who clear it up.

A land of opportunity means educating our children - and I mean all our children.

It's OK for the children who have parents reading them stories every night - and that's great.

...but what about the ones at the back of the class, in the chaotic home, in the home of the drug addict or alcoholic?

We need these children - and frankly they need us.

That's why three and a half years ago, one man came into the Department of Education.

...Michael Gove, there he is...

...with a belief in excellence and massive energy...

...like a cross between Mr Chips and the Duracell bunny.

Let's look at the results.

More students studying proper science.

More children learning a foreign language.

We've ended the dumbing down in exams.

For the first time - children in our schools will learn the new language of computer coding.
And we're sending a clear message to children: if you fail English and maths GCSE, you're going to have to take and re-take them again until you pass.

Because as I tell my own children - there's not a job in the world where you don't need to spell and add up properly.

But ultimately - really raising standards means innovation, choice.

It means giving passionate people the freedom to run our schools.

That's what Free Schools are all about.

I'll never forget sitting in the classroom at Perry Beeches III in Birmingham, on the first day of term this year.

I met a mum there who said to me - this is what I've dreamed of for my child...

...proper uniforms, high standards...

...this is going to give my child a good start in life.

When Michael Howard asked me what job I wanted in the Shadow cabinet I said education...

...because this is the kind of thing I came into politics to bring about.

You want to know something totally extraordinary about free schools?

Labour's official policy is to be against them...

...but - get this - Labour MPs are backing them in their local area.

And not just any Labour MPs.

I promise I'm not making this up..

...the Shadow Education Secretary - Stephen Twigg - has backed one in his own city.

Unbelievable.

And isn't that always the way with the Left?

They don't like privilege - unless of course it's for their own children.

Well we in this Party are ambitious for all our children...

...and we've got to finish the job we started.

We've already got technical colleges run by great companies like JCB...

...I say: let's have one of those colleges in every single major town.
We've had a million apprenticeships start with this Government...

...now we want a new expectation: as you leave school you have a choice - go to university or do an apprenticeship.

And while we've still got children leaving primary school not reading, writing and adding up properly...

...let us set this ambition for our country: let's eliminate illiteracy and give every one of those children a chance.

And friends as we do all this, we're remembering the most vulnerable children of all.

There are thousands of children every year who grow up in homes where nappies - and bedclothes - go unchanged...

...and where their cries of pain go unheard.

These children just need the most basic opportunity of all: a loving family.

Two years ago I told you about our determination to speed up adoption...

...and this past year, we saw record numbers finding permanent, loving homes.

4000 children adopted...

...that is 4000 more reasons to finish the job we've started.

And as we keep on with this, we remember who is on the front line.

I have to make some tough decisions in my job...

...but none as tough as whether to break up a family and rescue a child... or try and stitch that family back together.

Social work is a noble and vital calling.

I'll never forget how after my son Ivan was born, a social worker sat patiently in our kitchen and told us about the sort of help we might need.

This Government has helped get some of the brightest graduates into teaching...

...and we have pledged to do the same for social work...

...now let us, in this hall, hear it for Britain's social workers who are doing such an important job in our country today.

The land of opportunity needs one final thing: welfare that works.

We know how badly things went wrong.
Our fellow citizens working every hour of every day to put food on the table ask this: why should my taxes go to people who could work but don't?

Or to those who live in homes that hardworking people could never afford?

Or to people who have no right to be here in the first place?

I say this to the British people: you have every right to be angry about a system that is unfair and unjust - and that's why we are sorting it out.

We've capped welfare. We’ve capped housing benefit. We've insisted on new rules so that if you reject work, you lose benefits.

And let's be absolutely clear.

As Boris said in that great speech yesterday, the problems in our welfare system and the problems in our immigration system are inextricably linked.

If we don't get our people back to work - we shouldn't be surprised if millions want to come here to work.

But we must act on immigration directly too - and we are.

Capping immigration. Clamping down on the bogus colleges.

And when the Immigration Bill comes before Parliament, we will make sure some simple and fair things, that should have always been the case, are now set in stone.

If you are not entitled to our free National Health Service, you should pay for it.

If you have no right to be here, you cannot rent a flat or a house. Not off the council, not off anyone else.

When you are a foreign prisoner fighting deportation, you should pay your own legal bills.

If you appeal - you must do it from your own country, after you've been deported, not from here.

And on these huge, national problems we are making progress.

Immigration has come down.

On welfare: not only are there more people in work than ever before.

.the number of households where no one works is at its lowest rate since records began.

.and I want to thank the most determined champion for social justice this Party has ever had: Iain Duncan Smith.
Iain understands that this isn't about fixing systems, it's about saving lives.

...and that's why we've got to finish the job we've started.

There are still over a million young people not in education, employment, or training.

Today it is still possible to leave school, sign on, find a flat, start claiming housing benefit and opt for a life on benefits.

It's time for bold action here.

We should ask, as we write our next manifesto, if that option should really exist at all.

Instead we should give young people a clear, positive choice:

Go to school. Go to college. Do an apprenticeship. Get a job.

But just choose the dole? We've got to offer them something better than that.

And let no one paint ideas like this as callous.

Think about it: with your children, would you dream of just leaving them to their own devices, not getting a job, not training, nothing?

No - you'd nag and push and guide and do anything to get them on their way. and so must we.

So this is what we want to see: everyone under 25 - earning or learning.

And you know - on this, as on everything else, Labour will fight us...

...but remember: we are giving people real opportunities.

I've had people say to me "I'm back on my feet"... "I feel worthwhile."

One wrote to me saying: now I can tell my son his Dad really does something.

This is what our Party is all about.

We don't patronise people, put a benefit cheque in their hand and pat them on the head.

We look people in the eye as equals and say: yes, you've been down - but you're not out.

...you can do it, you have it in you, we will give you that chance.

And that's why we can say today that it's this Party that is fighting for all those who were written off by Labour...

...it's this Party that's for the many not the few.

...Yes - the land of despair was Labour...
.but the land of hope is Tory.

We have done some big things to transform Britain.

But we need to finish the job we've started.

We need to go further, do more for hardworking people...

...give more children a chance, back more businesses, help create more jobs.

And I'm clear about how that job will best get done.

It requires a strong Government, with a clear mandate, that is accountable for what it promises and yes, what it delivers.

And let me tell everyone here what that means.

When the election comes, we won't be campaigning for a coalition...

...we will be fighting heart and soul for a majority Conservative Government - because that is what our country needs.

You don't do this job to be popular.

You do it because you love your country.

I do the best I can. And for me, it comes back to some simple things.

Country first. Do what's decent. Think long-term.

There's an old story that's told about a great hall in Oxford, near my constituency.

For hundreds of years it's stood there - held up with vast oak beams.

In the 19th century, those beams needed replacing.

And you know what they found?

500 years before, someone had thought. those beams will need replacing one day.

.so they planted some oak trees.

Just think about that.

Centuries had passed. Columbus had reached America. Gravity had been discovered.

.and when those oaks were needed, they were ready.

Margaret Thatcher once said: "We are in the business of planting trees for our children and grandchildren or we have no business being in politics at all."
That is what we are doing today.
Not just making do and mending.
.but making something better.
Since I got to my feet, almost a hundred children have been born across this country.
Children of wealth - and children of none.
Children of parents in work - and children of parents out of work.
For every single one of those new-born babies let us pledge today that we will build something better.
.a land of opportunity.
A country built on that enduring principle, seared in our hearts, that if you work hard, save, play by the rules and do your fair share - then nothing should stand in your way.
A new economy.
A new welfare system.
A new set of values in our schools.
Not just fixing the mess we inherited - but building something better.
We've got a year and a half 'til that election...
.a year and a half until Britain makes a choice: move forward to something better or go back to something worse.
.but I believe that if this party fights with all we have, then this country will make the right choice.
Because we always have before.
Whenever we've had the choice of giving in to some shabby compromise or pushing forward to something better we've said: this is Great Britain.
.the improbable hero of history.
.the country that doesn't give in, that doesn't give up.
.that knows there's no such thing as destiny - only our determination to succeed.
So I look to our future and I'm confident.
There are battles to fight but beyond this hall are the millions of hardworking people who renew the great in Great Britain every day.

.in the way they work and the way they give and raise their families.

These are the people we have alongside us.

...together we've made it this far...

...together we'll finish the job we've started...

.together we'll build that land of opportunity.
Today we launch our Welfare Reform Bill.

It brings the most ambitious, fundamental and radical changes to the welfare system since it began. At the heart of this Bill is a simple idea. Never again will work be the wrong financial choice. Never again will we waste opportunity. We’re finally going to make work pay - especially for the poorest people in society. And we’re going to provide much greater support for unemployed people to find work - and stay in work.

We’re not just recasting the reach, scope and effectiveness of the old system - making it fairer and a genuine ladder of opportunity for everyone. We’re also doing something no government has done before - and that is get to grips with the cost of welfare.

Over the past ten years that bill increased by £56 billion - that’s over and above inflation. Over the next four years we’re reducing it by £5.5 billion - in real terms.

We’re limiting housing benefit. Reforming tax credits. And changing child benefit for the first time in a generation, taking it away from higher-rate taxpayers.

Yes, some elements of this Bill have been amended and rationalised. That’s what happens when policy is open to real debate, and governments listen. And though I know we don’t agree on everything, I welcome the input we’ve had - and will continue to have - from Toynbee Hall as we implement our reforms. The end product is a Bill that is undeniably tough. That is certainly radical. But above all, I would argue that it is really fair.

I’m going to take you through some of the details today. But first I want to make something clear. This Bill is not an exercise in accounting. It’s about changing our culture.

I’ve come to Toynbee Hall to give this speech because of the history here. This building resonates with social responsibility - and that is my theme today.

Nine months ago, on the steps of Downing Street, I said I wanted to help to try and build a more responsible society in Britain - where we don’t ask what am I just owed, but what more what can I give - where those who can, should; but, of course, those who can’t, we always help.

And my point today is that this idea of mutual responsibility is the vital ingredient of a strong, successful, compassionate welfare system. We need responsibility on the part of those who contribute to the system - government and taxpayers.

And responsibility on the part of those who receive from the system. I take the responsibilities of government very seriously.

I passionately believe that the welfare system should be there to support the needy and most vulnerable in our society and provide security and dignity for those in old age. That’s why the system was born, that’s what it’s always done - and with me, that’s the way it will
always stay. But that doesn’t mean the welfare system shouldn’t change. It has to change - because it just isn’t working.

A working welfare system should help drive economic growth, with training, with confidence building, with helping people back into work. This welfare system has left more than one in four adults of working age out of work. A working welfare system should be affordable too.

But when we came to office, spending on working age welfare benefits was running at £90 billion - a year accounting for one in every seven pounds government spent. That’s simply not sustainable when we’re trying to get to grips with the biggest budget deficit in post-war history.

We face a choice - make cuts in welfare or cuts elsewhere in those services we rely on like education and health or those things which are so vital for our future, like science and infrastructure.

We’ve made our decision - we will reform welfare and reduce its costs, partly in order to protect vital services and our nation’s future.

So that is the case for change, if you like, in figures and finances.

But to me, creating a working welfare system is not just an economic necessity; it is a moral necessity. Parts of the current system have insidiously drained hope away from swathes of our society, denying people opportunity while taxpayers feel that the welfare system they support is not one they respect, knowing that some of their money does not go to the vulnerable people they want to help.

Now I know you’ve heard politicians promising to get to grips with welfare before - and they never deliver. Today I want to tell you how we’ll be different, why we’ve got an understanding of what’s gone fundamentally wrong and how we will put it right.

Let’s start with our understanding of what’s gone wrong with our welfare system.

Politicians often overcomplicate their analysis, but actually, it’s quite simple. It comes back to responsibility. When the welfare system was born, there was what we might call a collective culture of responsibility. More than today, people’s self-image was not just about their personal status or success it was measured out by what sort of citizen they were; whether they did the decent thing.

That meant that a standardised system of sickness and out-of-work benefits - with limited conditions - was effective. It reached the people who needed that support, and not those who didn’t, in part because fiddling the system would have brought not just public outcry but private shame. In other words, personal responsibility acted as a brake on abuse of the system. And because the ethos of self-betterment was more wide-spread, the system supported aspiration rather than discouraging it.
As the Deputy Prime Minister has argued, the founding values of Beveridge’s welfare state were to provide support and boost individual pride and autonomy, not create dependency on the state.

Now let’s be honest about where we’ve travelled to, from there to here. That collective culture of responsibility - taken for granted sixty years ago - has in many ways been lost. You see it in the people who go off sick when they could work or the people who refuse job offer after job offer.

And why has this happened?

Now of course there is a powerful argument about how it is hard for people to do the responsible thing and get into work when there are not enough jobs available. But that argument is less powerful when you consider the recent period of economic growth, with millions of new jobs created yet at the end of that period, nearly five million people remained on out of work benefits. Indeed, between 1997 and 2008, more than forty percent of the increase in employment was accounted for by migrant workers from abroad.

Others make a different argument. They simply point finger of blame at those living on benefits. Yes, there are those who, with no regret or remorse, intentionally rip off the system - and that makes hard-working people, including many on low incomes who pay their taxes, rightly angry.

But I know this country and therefore refuse to believe that there are five million people who are inherently lazy and have no interest in bettering themselves and their families. What I want to argue is that the real fault lies with the system itself.

The benefit system has created a benefit culture. It doesn’t just allow people to act irresponsibly, but often actively encourages them to do so. Sometimes they deliberately follow the signals that are sent out. Other times, they hazily follow them, trapped in a fog of dependency. But either way, whether it’s the sheer complexity and the perverse incentives of the benefits system, whether it’s the failure to penalise those who choose to live off the hard work of others, or whether it’s the failure to offer the right support for people who are desperate to go back into work, we’ve created the bizarre situation where time and again the rational thing for people to do is, quite clearly, the wrong thing to do.

Let me take each of these in turn. First, the perverse signals. When it began, the welfare state was relatively simple, with straightforward benefits for pensions, sickness and unemployment. But today, a dizzying array of benefits, premiums, allowances and credits, each with their own rules and criteria, are administered by several different agencies and departments. In many ways, this growth was well-intentioned.

When there was a lack of affordable housing, the introduction of housing benefit made sense. When people face high council tax bills, the argument for some relief on council tax is also strong. The same arguments have been made for so many other benefits, premiums and allowances. But well-intentioned or not, this complexity is still destructive. It’s not just the fraud, error and waste it encourages - estimated at over £5 billion a year.
When people start navigating their way through this complexity, one of the first things they realise is that sometimes, they can be better off if they act irresponsibly rather than responsibly. Just look at the messages we send out: To the single mother who wants to earn a bit extra each week - we say: work more and we’ll take up to 96p for every extra pound you earn. And to a couple with children - we say: separate from each other you’ll be better off than if you stick together.

You might think, no one would split up because of benefits. But in our country today, there are two million people who ‘live apart together’ - that is couples who maintain separate homes while being economically interdependent. Can we honestly say the signals in the benefit system have nothing to do with this?

And these perverse signals, they go even deeper. I’ve had young people in my constituency surgery who come in and say: ‘I’m doing the right thing, saving up for a home with my boyfriend, making sure we’re secure before we have kids but the girl down the road has done none of the above and yet having a baby has got her a flat and benefits that I’m doing without.”

Of course housing - like benefits - has to respond to need. And of course, we have a clear responsibility to safeguard the wellbeing of children. But should we be content with a system that is seen by some as saying: have a baby now get a home and some cash; wait until later, when you’re more secure and stable, and you may get neither?

Second, at the same time as all this, there are totally ineffective sanctions for those who are out to take what they can get and no sense of proportion on what it’s reasonable for people to receive. Under the last Government those cheating the system could often get away with little more than a ticking off, and a polite request not to do it again.

Where fraud was uncovered, people on benefits were required to pay back a maximum of £13 a week. What’s more, they also let certain benefits get completely out of control.

Little has shocked me more since coming into office than the state of housing benefit. We inherited a system that cost £20 billion a year, with some claimants living in property worth £2,000 a week in rent. That’s £104,000 a year. That’s the income taxes and national insurance contributions of sixteen working people on median incomes all going on one benefit for one family.

And to what effect? It’s not just that we’ve been paying people to live in some of the most expensive real estate in London, the UK - indeed, the world. It’s more than that.

We’ve been sending a signal to people that if they’re out of work, or on a low wage, and living in an expensive home in the centre of a city that the decision to go back to work, or take a better paid job could mean having to move to a cheaper home, in a different part of the city, in order to escape benefit dependency. Is it any wonder that people faced with that choice, choose either not to work, or decide not to take higher paid work?

Third, even when people do want to break free from this stranglehold and get into work they are met with another problem that reinforces irresponsibility: the system is too
top-down and bureaucratic to help them. People out of work aren’t identikit unemployed with the same needs and problems. There’s the woman who’s been managing a big team for decades, made redundant in the down-turn. The girl who left school with no qualifications whatsoever, who has little idea about the world of work. The man with depression who hasn’t worked for years and is held back by lack of confidence. You can’t serve all these people with a one-size-fits-all system - by the Whitehall blueprint and the national training schemes. But that’s what the last government tried to do.

It’s no wonder that so many people who have been unemployed for years were not just let down but were frankly turned off by the whole process. Taken together we can see how these perverse incentives, the phoney sanctions, the bureaucracy, have turned a system that began with the best intentions into an engine of irresponsibility.

We need to put responsibility back into the welfare system - and that starts with the Welfare Bill today.

First, we’re going to simplify the system and make work pay. Second, we’re going to have tougher sanctions and limits on the amount of certain benefits people can receive. And third we’re going to take apart the top-down bureaucracy and build a welfare to work programme that’s much more responsive to individual needs.

Let’s start with how we simplify the system and make work pay. Instead of a complex patchwork of multiple benefits today’s Welfare Reform Bill will mean we move to just one core income-related benefit - a universal credit and one message - that it will always pay to work. Even if you just work a few hours at first, you’ll see the benefits in the money you keep.

Say for example you’re on Jobseeker’s allowance and you have the chance to do a few hours work. Today after the first £5 you earn, you lose a pound of benefits for every extra pound you take home. But with the universal credit, you would keep 35p of benefit for every extra pound you take home. And because this rate of benefit withdrawal is the same whatever you earn - it’s easy to calculate just how much better off you will be. What’s more, because you don’t have to start claiming a whole set of new benefits and lose your existing ones when you move into work, it makes the whole process far less risky and daunting.

It’s simple. You don’t need a computer model to work it out any more. The more you work, the better off you will be. And the financial rewards for entering work will be improved significantly, particularly if you’re on a low income.

Indeed, we estimate that around 1.5 million low-earning workers will benefit from being able to keep more of their earnings as they increase their hours restoring that culture of respect for work with incentives that are simple, clear and right. This is at the heart of the changes we’re proposing to welfare - and I pay tribute to Iain Duncan-Smith, and all his hard work, in making this possible.

We’re not just saving money, we’re also making the system so much more progressive helping put more money in the pockets of some of the lowest-paid workers in our
country. What’s more, by making the system simpler, we will be able to reduce fraud, error and overpayment costs by £1 billion a year.

Second, we’re introducing tougher sanctions and limits on what people can receive. When it comes to limits, we’re going to restrict Housing Benefit rents so they will only cover the cheapest thirty per cent of properties in a local area and limit Housing Benefit in the social rented sector to reflect the size of a family.

When it comes to the sanctions, we’re also going to clamp down on those who deliberately defraud the system. No more cautions. We will seek prosecution whenever we can. And at the very least impose a tough minimum fine on anyone found to have cheated the system and recover the money more quickly. What’s more, we will also going to place some real responsibility on the unemployed to ensure they try to get a job.

So if you’re unemployed and refuse to take either a reasonable job or to do some work in your community in return for your unemployment benefit you will lose your benefits for three months. Do it again, you’ll lose it for 6 months. Refuse a third time and you’ll lose your unemployment benefits for three years.

There’s a simple deal here. If you are vulnerable and in need, we will look after you. And if you hit hard times, we’ll give unprecedented support. But in return, we expect you to do your bit. At the same time, we are going to do something for those who aren’t yet ready for work but who are assessed to be capable of work in the future.

They’ll be offered training, help, support - and again if they refuse that, they too will lose some of their benefits. Now there are some who will say this will pull the plug on benefits for disabled people and that we should not replace lengthy self-assessment for disability benefit with a new objective test.

Let me make clear. The welfare system will always recognise the needs of people who genuinely can’t work. Those who need an Employment Support Allowance because they cannot work - will get it. Those who are assessed as needing the Disability Living Allowance will get it, whether they are in work or not. That’s what’s fair.

But what is also fair is to give those with disabilities who can work the opportunity to work. They shouldn’t be written off - so we will help them find a job and to live a fuller life. And those who can’t work and can’t be expected to work will be supported. Full Stop, end of story. Sanctions for those who abuse the system; real help for those who need it.

Third, we are making welfare much more responsive to individual needs. We’re sweeping away all the old top down centralised bureaucracy that treated people like numbers in a machine. And in its place, we’re saying to the person who is unemployed and desperate to get a job - we will make sure you get the personalised help you want. We will give each of you a proper assessment of your needs. And then, through the Work Programme, we’ll invite our best social enterprises, charities and businesses to come into the welfare system and give you intensive, personal assistance to find work. Not just the big established players, but small, innovative charities and social enterprises too.
I want to make sure that our contracting arrangements do not exclude either by accident or design any organisation that has something to offer. We will then pay these organisations by the good results they achieve. And don’t let anyone tell you this happened before.

Under the last government’s model, some companies still got a large share of their payment - even if they didn’t get someone into work. We’re saying: we will withhold the vast majority of these companies’ payments until they get someone into work - and they stay in work. But to me, the really radical part of this plan is how we’re funding it - paying companies from the actual savings they deliver.

For years people have been saying why leave people stuck on welfare, stuck on incapacity benefit, potentially costing the taxpayer £30,000, £40,000 year after year when we can invest the savings upfront and give these people a better life at the same time?

For all that time, the previous Government said no. We’re saying yes. And there’s something else we need to do.

We don’t just need to help those out of work return we need to help those in work to stay fit, healthy and productive.

Today, half the people who end up on Employment and Support Allowance each year start by being signed off sick from work. We simply have to get to grips with the sicknote culture that means a short spell of sickness absence can far too easily become a gradual slide to a life of long-term benefit dependency.

So today we are asking Dame Carol Black, the government’s national director for health and work and David Frost, the Director General of the British Chambers of Commerce, to review sickness absence and to recommend what else we can do, to end the sick-note culture and improve health and wellbeing at work.

Everything I’ve spoken about today - from universal credit to the Work Programme - is not just a series of technical changes weighing up benefits and tax credits in the Treasury’s scales of what’s affordable and unaffordable.

This is about the beginning of cultural change. A new culture of responsibility.

We say: we will look after the most vulnerable and needy. We will make the system simple. We’ll make work pay. We’ll help those who want to work, find work. But in return we expect people to take their responsibilities seriously too. To look for work. To take work. To contribute where they can. It is a vision of a stronger society, a bigger society, a more responsible society and today, the building of that society starts in earnest.
Conference – In 2010 we inherited an economy that was to all intents and purposes, bust.

The priority for the Chancellor, George Osborne, was to cut the deficit, stop the debt spiral, and put right the mess left by Labour.

And in this we should all recognise the leadership of the Prime Minister and the determination of the Chancellor for sticking firm to their course when others wavered and called for change.

They have displayed real courage in difficult times.

That is why the economy is turning a corner and we are beginning to see growth again........

Something Labour said would never happen.

In fact Labour said we needed a plan B

They’ve learned nothing –

They still believe you can spend your way out of a debt crisis,

The very policies they pursued that got us into this mess.

That put people out of work and collapsed people’s savings.

Same old Labour – wrong on the economy.

So, they oppose all our spending reductions,

They want to tax more,

Borrow more

And spend more on welfare

So that’s it? – Socialism

No - that’s not a plan B,

It’s just Balls.

But you can’t divorce welfare spending from the economy, for welfare costs more than a quarter of all government expenditure.

Under Labour, welfare bills shot up by a massive 60%
And in 2010 alone, they splurged £90 billion on working age welfare.

But just look at where Labour spent it:

Some £25 billion to park more than 1 million people, not working, on sickness benefits for a decade or more.

Over £170 billion on tax credits, which did little to transform people’s lives.

And Labour lost control of Housing Benefit.

It doubled in the last 10 years to over £20 billion and was set to rise by £4 billion more.

By 2010 Labour’s reckless welfare spending cost every household in Britain an extra £3,000 a year.

For all that taxpayers’ hard-earned money what did Labour, the Welfare Party, achieve?

- 5 million people on out of work benefits
- 1 in 5 households where no one worked at all
- Families on benefits getting more than hardworking families earned
- People living in houses with rents topping £100,000
- And people sitting on benefits with absolutely no requirement to work

And a chaotic system of more than 30 different types of benefits were deducted at different rates as you went back to work

But saddest of all was that Labour replaced the safety net with a dependency web, a growing sense of entitlement and as a result, the ‘something for nothing’ culture was born.

Worse, since 2010, Labour has opposed every single reform we have brought forward at a cost of some £80 billion:

- our housing benefit reforms
- our back to work programmes
- our popular work experience programme for unemployed young people
- our benefit controls
- our benefit cap
- our sickness and disability reforms

Be in no doubt.

The Welfare Party hasn’t changed. Same old Labour – never a hand up always a handout.

By contrast, our mission has been throughout to end that relentless march to dependency.

Our purpose was to bring fairness back to a system that had for too long penalised positive behaviour and abused taxpayers’ trust.
This has not been easy but we have stuck to our task.

Our plan is simple; to put work at the heart of the welfare system and ensure work always pays.

That is returning fairness to the system.

We have introduced the Work Programme,

Helping the long-term unemployed into work. It’s revolutionary because the providers only get paid when they achieve results.

Results which speak for themselves:

Twice as successful as Labour’s Flexible New Deal,

Almost three quarters of the work programmes first participants have come off benefits,

And 380,000 have gone back to work.

That is returning fairness to the system.

And through Universal Credit, we will simplify the benefits system, drive out fraud

And most importantly, for the first time - make work pay – benefiting millions of hardworking families.

That is returning fairness to the system.

Work Experience and the NEA

We have brought in – and now extended – the New Enterprise Allowance

Supporting over 26,000 new businesses

Now reaching 2,000 start-ups every month.

And we have secured a work experience place for every 18 to 24 year-old who wants one

Already helping over 130,000 participants of all ages, around half of them off benefits 21 weeks after starting out.

These are people who would otherwise have languished on benefits without hope.

That is returning fairness to the system.

Through our rolling reassessment of 1.5 million people once parked unseen on long term sickness benefits,
So far 7 in 10 are preparing or looking for work.

That is returning fairness to the system

Through our housing benefit reforms, we are ensuring families on benefits face the same choices about where they live and what they can afford as those in work.

And we are ending the situation where taxpayers would have to pay out £1 billion over the next two years for some social housing tenants to have spare bedrooms, whilst over 2 million families languish in despair on housing waiting lists or in overcrowded homes.

We are returning fairness to the system.

Our benefit cap is bringing to an end the days when someone could choose to sit on benefits, earning more than hardworking people.

More than 70% of the British public agree with it

And over 15,000 who were told they might be capped have since moved into work.

That is returning fairness to the system.

We set ourselves an ambitious task, but over the last three years we have worked tirelessly and now we are seeing the fruits of our work.

- More people in work than ever before.
- Record numbers of women in work.
- Record numbers of hours being worked.
- Employment up 1 million since the election.
- 1.4 million new private sector jobs created.
- Unemployment down since the election, falling faster than in Germany or Canada.
- The claimant count falling in every region, and at the lowest it has been for over 4 years.
- Redundancies close to pre-recession levels.
- And since the election – the number of people claiming out-of-work benefits has fallen – by over 400,000.

And perhaps the toughest tests and the two I am determined to crack during the lifetime of this parliament, we are already well on our way to achieving:

First:

- The number of people who were not expected to work is now at record lows – in fact, they are the lowest now than for two decades.

Second:
• And there are more households where someone works now, than in any year under the last Government.

Now that’s real fairness.

On pensions we have helped existing pensioners get better incomes through the triple lock

More people are now saving through our auto enrolment

And our new single tier state pension will bring an end to the means test for those who work hard and contribute.

That’s real fairness for pensioners

But the greatest thing we can do to help stabilise families and support commitment and nurture, is to back the most important man made institution of Marriage, through a transferable tax allowance.

Now that is how to return fairness to hard pressed families.

But you know there is still more to do.

Let me say those in difficulty will always receive the help they need, but in return they must do all they can to seek work.

The problem is that some are not.

On Monday you heard the Chancellor announce ‘Help to Work’ - a programme for the very long term unemployed.

But today I want to tell you about those who are already showing early signs of not being able to commit to their obligation to work.

Prior to the Work Programme we are going to pilot a Mandatory Attendance Centre where selected individuals will receive expert support and supervision while they search and apply for jobs – that is 9o’clock to 5 o’clock – 35 hours a week – for up to six months, simulating the working day.

These pilots will be targeted at claimants who will benefit from the intensive support - one pilot before the Work Programme and one for after the Work Programme.

Alongside the Mandatory Work Programme and our tough sanctions regime, this marks the end of the Something for Nothing Culture.

Last year I stood before you and warned that as we advanced our reforms, the years ahead would not be easy.

For I knew that arrayed against us were the forces of reaction.
Those who will stop at nothing to misrepresent what we are doing so that they can return to the failed and expensive policies of the past.

Their method is not just persuasion but also intimidation.

Their tool is their invective of hate filled abuse.

Their purpose is to return us to a time when success was measured by the amount of money you spent, not the lives you improved.

These are the battle lines for the next 20 months.

It will be hard and remorseless.

Our opponents will use every new communication tool at their disposal to dislodge us and to sow panic in the hearts of our friends.

They will not sleep in the hope of thwarting us.

But if Mrs Thatcher taught us anything it was this:

If you are sure of your purpose,

Resolute in your action

And united in the fight to come, then all may be achieved.

So to win through, we must all together, every day, let the public know that that at last no longer will a life on benefits be an option if you are capable of work.

That we will support those who work, those who try, and those who seek fairness from a system meant to help them.

That we will be on their side when they need us but not on their backs when they don’t.

For it is no life for a family to be without work,

Knowing as each generation grows up that they will never achieve more than their parents.

We wouldn’t want that for our children and we must never be prepared to accept it for any child.

That is why, all of you must hold in your hearts our simple yet overarching purpose –

That our reformed welfare system will once again catch you when you fall, but lift you, when you can rise.

Just close your eyes for a moment and picture....
a home where parents invest in their children the great richness of hope, aspiration and self-worth –

Such a feint and delicate light.

Yet it is what will drive them and direct them and as it grows, it will shine upon the rest of us and we will grow too.

But what of the homes where all too quickly, aspiration and self-worth, are extinguished,

Where hope dies and the remorseless downward spiral is all that is left of each inheritance.

These are the homes where our reforms must be felt.

Our mission then is to help them restore hope, raise aspiration and build self-reliance once again.