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Publication Date Monday 10 May 2004

**Senior Conservative Proposes New Deal in present form should go. End the waste and focus on practical measures for those who want work, says Oliver Heald MP, Shadow Leader of the House, in next Politeia Pamphlet**

Few schemes have been the subject of greater self-congratulation and misrepresentation than the 'New Deal'. The scheme represents the apotheosis of the government's policy of 'social inclusion', a policy which it insists is the left's 'modern alternative' to market capitalism. Hundreds of thousands of unemployed people have, we are told, found work as a result of the government's strategy, and the blight of long term unemployed is now being tackled.

Nothing could be further than the truth, as Politeia's next pamphlet *Auditing the New Deal: What Figures for the Future?*, explains. The meticulous analysis of the different 'New Deals' and the plethora of schemes for the unemployed - young people, over 25s, lone parents, partners, over 50s, disabled - shows a very different picture. The authors, Oliver Heald, Shadow Leader of the House of Commons, and Mark Waldron dissect each New Deal, showing that despite the vast sums of public money poured into the New Deal, the results are negligible. Only a tiny proportion of the hundreds and thousands of those joining the New Deal, find jobs as a result. Instead of the two million claimed by Gordon Brown in 2003 to have found work through it, the overall figure 'lies somewhere between 109,000 and 230,000'. In each of the individual schemes the story is the same, with the claims of almost 445,000 young people having found work shown to be false: the true figure is nearer 20,000. In fact, the evidence suggests that most of those who do find work would have found it anyway. And there are other problems, for instance, of job substitution or displacement, where employers might not employ other workers because of the scheme. At the same time certain groups of unemployed people, especially the disabled and the over 50s, who want and can work, are not helped.

The picture emerges of a vast, ineffective and bureaucratic scheme, expensive to the taxpayer, yet futile. The New Deal, says the study 'has distorted the job market and cost the country more than £3billion' and the cost of each job found through the scheme lies between £13,000 and £27,000.

What should be done? The New Deal in its present form should be scrapped. The love affair of the left with vast state run schemes of social engineering has been a costly failure. Instead the private sector must play its full part, with real help for training and follow-up support so that those who want and can work find jobs and keep them. Funds should reward success, instead of being squandered on bureaucracy. The lessons from overseas, especially that of 'America Works', should be learned. Who should be helped? In the main the focus should be on the over-50s and disabled.

The New Deal for partners should be dropped entirely, and the New Deal for the young cut drastically (with sanctions, not spending except where there are real difficulties in finding work). And for lone parents, the government should abandon its attempts to interfere in family life. Schemes for lone parents should be aimed not at those not with young children, but those with older children at secondary school.

**Politeia will be holding a discussion to launch the pamphlet at The House of Commons (Room U, 1st Floor, Portcullis House), Westminster, London SW1 with Oliver Heald between 11.15 and 11.45 a.m (coffee from 11.00 ) on Thursday 6 May. Journalists will be most welcome. If you would like to come it would be helpful if you could let Guy Sich in the Politeia office know.**

\*Oliver Heald MP is Shadow Leader of the House of Commons and Mark Waldron teaches history at the Leys School, Cambridge.

Enquiries to Politeia on 020 7240 5070. *Auditing the New Deal: What Figures for the Future* by Oliver Heald and Mark Waldron, with a preface by Hugh Sykes, is available from **Politeia, 22 Charing Cross Road, London WC2H 0QP**, at £7-00