Published on *Adam Smith Institute* (http://www.adamsmith.org)

The Benefit-Industrial Complex [1]

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Housing benefit is a national industry, says Preston Byrne. In this article he argues that it sustains a national minimum rent and drives up rental costs for everyone.

Anyone following the progress of the government's ?Universal Credit? welfare reform program will know that (1) its signature provision is the creation of the so-called Benefit Cap limiting the amount of benefits that any one person or family can claim in a given week to £350 or £500, respectively.

Lesser known is (2) that ?under Universal Credit, the default position will be that all housing costs for both social and private sector tenants? ? currently paid out as a single, discrete benefit but soon to be subsumed within the benefit cap ? are to be paid directly to claimants, whereas previously it was paid directly to claimants' landlords.

That the second of these proposals should be controversial is a little surprising, considering the fact that paying one's rent is the sort of thing most people will do for a substantial majority of their working lives. So I was puzzled to see Mark Easton, BBC News' Home Editor, excoriating the government, and accusing it of being ?secretive*... on a matter that affects the lives of hundreds of thousands of the most vulnerable people in Britain?: the proposal to, in his words, ?force social housing tenants to pay their own rent?.

Read this article. [3]

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[4] http://disqus.com/?ref_noscript
[5] http://disqus.com