The recurrent poverty of the low-pay, no-pay cycle: evidence from North East England

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The low-pay, no-pay cycle

‘Just jumping from job to job, it’s no way to go. It’s a nightmare! Jack of all trades, master of none [laughs]. I just want something with a bit of job security – where maybes I can buy me own house in the future rather than just where you’ve got to be on a wing and a prayer type thing ... just a job that I can call me own, you know what I mean? Rather than just looking for one all the time or just jumping from job to job’

(Richard, 30)
Myth number 1

Work *always* provides the best route out of poverty
Everyday hardship - even in jobs

- Winnie (44) earned £576 a month (in 2009) from two part-time jobs

- ‘I am left with barely anything...//...I struggle, really struggle because by the time I pay me bills, gas, electric and water rates, TV, all that, I’m left with a couple of pound that’s it ... I wanted to work. If I didn’t work I think I’d go crazy ... I mean, to be honest, somebody in my situation, I would probably be better off on benefits’.
Transitions to work and (more) debt?

‘They would phone me up and say there is a job in a factory and I would be there for a while and they just kept on bouncing me from job to job for about eight month ... They say they will find me continuous work and me signing off the dole and they give me a couple of days here and a couple of days there... I ended up in about £500 of debt through it. I’m still paying it off. All for just being with an agency’. ’ (Richard, 30).
Myth number 2

The unemployed don’t want to work
Work motivation

Universal, enduring, resilient work commitment

‘Work? Very important, just to get out the house and that, there’s nowt worse than not working. It’s so depressing. It’s awful, just awful. **When I’m working I’m a totally different lad** and when I’m not working I’m just down...I dunno, it’s hard to explain ...puts you on a proper depressing mode’. (Andrew, 43, scaffolder, currently unemployed)
Interviewees reported:

- Having to work ‘unsocial hours’ & not being paid properly
- That employers operated ‘flexibly’, in terms of hours and pay
- That they little/ no access to sick or holiday leave
- Being required to do extra hours at very short notice
- The refusal of requests to take time off for family reasons
- Losing maternity allowances because of employers’ errors
- Being sacked for taking day’s sick leave, and so on.

= Casualised, low-paid, low skilled – but necessary - work at the bottom of the labour market
Myth number 3

Unemployment is a ‘lifestyle choice’
Claiming welfare

Counter to much current commentary, interviewees *deplored* claiming welfare – and sometimes didn’t claim

‘The **whole thing repulsed me, signing on.** I just couldn’t be doing with it; sponging off the state. It’s the hassle as well. You’ve got to sign on and then sign off and I just couldn’t be bothered’ (André, 33, intermittently employed care worker)
Everyday hardship

‘I walk to my eldest daughter’s house and I’ll ask her to give me a meal. I go to Sainsbury’s about 9 o’clock and look for all the reduced items. You’ll buy a loaf of bread and it’ll last you for four days. Reduced eggs they’ll last you a week. I got half a dozen free-range woodland eggs for 20p the other day. So you’ve got six eggs. A loaf of bread, reduced vegetables, whatever it is, and I’ll have vegetables with rice, bread and egg’ (Amanda, 48)
‘I mean we can’t afford to get the heating done and that’s not ideal, especially with me getting chest infections – but we can’t do anything about it. You just have to get on with it, keep going sort of…It’s cold! (laughs) There’s no heating, there’s no hot water… It’s bitter cold … you can’t even go in the bath to get warmed up because there’s no hot water. So I go to my daughter’s for a bath … my bones ache, don’t they? Really ache. I just cannot get warm. He puts that on full [points to electric heater] but I still cannot get warm, so it’s pointless’ (Janice aged 56).
Myth number 4

- There are families with three and even four generations of worklessness (IGCW)
‘Intergenerational cultures of worklessness’: the power of popular ideas about poverty

- Widespread political/media/public explanation of worklessness

‘For too long, in too many deprived areas of the country, there has been a destructive culture that “no-one around here works”’ (Gordon Brown, 2003).

‘We have got places where there are three generations of men who have never worked. If your grandfather never worked & your father never worked, why would you think work is the normal thing to do?’ (Dame Carol Black, 2008).
Shildrick et al (2012, forthcoming)

- Work in progress, but...
  - Little existing research evidence for IGCW
  - Official data shows *at most 1% of workless households* fit narrow definition of 2 generation IGCW (& then very debateable...)
  - Hunting the Yeti! impossible to prove its non-existence...
  - ...but impossible to locate 3 generation IGCW in places where you would be mostly likely to find them
  - Long-term, family-concentrated worklessness best explained in other ways
Concluding remarks: myth-busting

- Many people in work remain poor or close to poverty
- Welfare is never generous, often leaving people in everyday hardship – and sometimes severe poverty
- For virtually all, unemployment is not ‘a life-style choice’
- Unemployed people want to work, actively seek jobs & repeatedly engage with jobs - that are low paid, low skilled and insecure (but socially & economically necessary)
Concluding remarks: ‘it’s the economy, stupid!’

Need to address – but first ask! - questions about the quantity & the quality of jobs available in local labour markets
Key Teesside Studies


