



Mythbusters

from nef and the Tax Justice Network

“Strivers v. skivers: the workless are worthless”

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Politicians and commentators would have us believe that only people in paid jobs are hard-working and make a valuable contribution to society. People claiming out-of-work benefits are lazy and worthless; they choose a life of leisure and get ‘something for nothing’.

This Mythbuster reveals the reality behind the rhetoric. Only a tiny minority of claimants are able but unwilling to work. A much bigger share of the social security budget goes towards subsidising low wages through in-work benefits. Far from ‘skiving’, most people who are not in paid work are making an extremely valuable contribution through a range of unpaid activities – without which the whole of our society, including the formal economy, would collapse.

The myth

“Where is the fairness, we ask, for the shift-worker, leaving home in the dark hours of the early morning, who looks up at the closed blinds of their next door neighbour sleeping off a life on benefits? When we say we’re all in this together, we speak for that worker. We speak for all those who want to work hard and get on... They strive for a better life. We strive to help them.” (George Osborne, Conservative Party Conference, October 2012)

Labels like ‘strivers’ and ‘skivers’ have become a regular feature of political rhetoric since 2010. They divide people into those who are hard-

working and aspirational, and those who are unemployed and feckless. They invite us all to support one wholeheartedly and vigorously condemn the other.

The language conveys (often subliminally) several ideas and serves a number of purposes. It is nothing new. Politicians of all hues have been using terms like ‘scroungers’, ‘welfare mums’, ‘deserving’ and ‘undeserving’ poor, ‘wealth-creators’ and ‘wealth-takers’ for years. Doing so conjures a widespread belief that two distinct and enduring groups exist – the strivers and the skivers – and that everybody chooses to be in one or the other.

'Strivers' are people who are paid for the work they do; they work hard, investing copious effort and often long hours for low pay, in order to earn a living, support their families and get on in the world. They are insiders: socially dependable, economically productive and morally righteous.

'Skivers' are people who are not paid to work because they prefer a life of leisure and ease. They are lazy, unreliable and manipulative, choosing to live at others' expense, so that they can sleep, watch television, abuse various substances and fritter away their time. They become dependent on hand-outs, unable to do anything for themselves. Many have copied this way of life from their parents and pass it on to their children. They are outsiders: untrustworthy, unproductive and morally disreputable.

It is implied that skivers get 'something for nothing' because they make no contribution to society, while living off benefits. Strivers get 'nothing for something' because they pay taxes and receive no benefits.

In short, this strivers v. skivers rhetoric teaches us that:

- There are two distinct groups of people, one good and one bad
- Individuals choose to be in one group or the other
- Strivers put money into the economy while skivers take money out
- Claiming benefits traps people in long-term dependency
- Dependency is passed on from one generation to the next
- People not in paid work contribute nothing of value to society

And, it teaches us to apply these messages indiscriminately. Everyone in paid work may be thought of as a striver while everyone not in paid work may be tarred with the skiver brush. You are worthy or guilty *by association*, regardless of how you live or what you intend. That's the difference between identifying people according to the rules of social science, and building a myth.

Why the myth matters

Most obviously it divides people against each other and creates a scapegoat. If people are suffering hardship and finding life a struggle they can blame the skivers, rather than anything else, such as the Government's economic policies. Politicians and commentators find this useful because they know the majority of voters will place themselves in the strivers category, making them feel they are on the good side. Very few people would identify themselves as a skiver.

It is always easier to blame people who lack the means to fight back. Those vilified as skivers are diverse, geographically dispersed and already marginalised. They have no shared identity, are not organised, have an impaired sense of entitlement and no means of defending themselves.

The message that people receiving social security payments are skivers helps to justify spending cuts and punitive welfare-to-work policies. It must be right, so the message goes, to avoid wasting scarce public resources on people who are not on our side, because they are unworthy of help or protection. It must be right to cut their benefits if they refuse any job that's offered. This way, we are led to believe, we can kill two birds with one stone. Punishing benefit recipients by cutting social expenditure will not only reduce the budget deficit; it will also stamp out benefit dependency.

"As Ed Miliband has said, tough times expose your values, and Labour is clear: we are on the side of people who work hard and do the right thing." (Liam Byrne, January 2012)

"What we have to do is get our economy to rebalance...for the doers, the strivers and those who work hard and play by the rules...dealing with the deficit, getting our economy moving, increasing the level of responsibility in our society and getting on the side of hard-working people. Those are the things that matter the most" (David Cameron, Debate on the Queen's Speech, May 2012)

The Reality

There are not two distinct groups of people

The strivers and skivers dichotomy is entirely false. The UK's drive towards labour market deregulation over the last thirty years has created an economy that relies on a fluid and flexible labour force. Last week's benefit claimant could easily be next week's employee and vice versa.

During the last quarter of 2012 around 870,000 people moved from employment to unemployment or economic inactivity¹, of whom 48 per cent joined the ranks of the unemployed, seeking work. It makes no sense to label as skivers these people who were looking for work at the end of the quarter, having lost their jobs at a time of multiple business closures and staff layoffs. Meanwhile, around one million moved into employment, 42 per cent (423,000) of them having previously been economically inactive. It makes no sense to say that 423,000 people moved from being skivers to strivers over just three months.

In reality, people slip between employment and unemployment, often within the space of a few months, as the economy relies increasingly on short-term, low pay, insecure contracts. This happens even more in areas where the economy is especially weak. In Teesside, one of the UK's struggling economic regions, research has found that, for many people, shuttling between benefits and jobs has become their predominant experience of working life. This 'low-pay no-pay cycle' traps people in poverty, regardless of their age or employment status at any given point in time².

Individuals rarely choose to avoid paid work and live on benefits instead

The strivers v. skivers myth rests on the assumption that if people really wanted to, they could get out of bed or off the sofa, draw back the curtains, get on their bike and find a job. In fact, most people have no choice. They are not in paid work because they are disabled, or because they have caring responsibilities, or because there are no jobs available. Sometimes two or more of these conditions apply at once.

Many disabled people are genuinely unable to gain paid work. In 2012, 15.5 per cent of the expenditure on benefits went to disabled people³. The Government has introduced the Work Capability Assessment (WCA), to assess whether people receiving disability benefits are in fact fit for work and so can be moved to work-related benefits. However, the process has been widely criticised for putting claimants through considerable distress with disability support groups even linking the process to rising numbers of suicides and deaths among disabled people⁴. Citizens Advice reported an 83 per cent increase in the number of people asking for support on appeals in 2011 alone, with 38 per cent of decisions being overturned at appeal in 2011-12. Efforts to reclassify disabled people as being fit to work appear to be failing in practice.⁵⁶

Many others take on little or no paid work because they have caring responsibilities. A recent survey by Carers UK found that 300,000 carers are forced to give up paid jobs to care each year, at a cost of £5.3 billion to the UK economy.⁷ This figure is likely to increase as public support for child care and adult social care is reduced. As local governments in England have to cut their budgets by 40 per cent, social care, which makes up 60 per cent of their spending, is bearing the brunt. Meanwhile the value of child tax credits and child benefit is likely to experience a cumulative 4 per cent cut, based on current forecasts.⁸ The numbers of 'sandwiched carers', who look after children and elderly relatives, either in quick succession or simultaneously, currently stands at around 2.4 million and, with demographic changes, is expected to rise.⁹

People who are disabled or who have caring responsibilities often want to do some paid work, usually for a few hours a week, to suit their circumstances. The Office of National Statistics found in 2009-2011 that 25 per cent of unemployed people reported that modified work hours or days or reduced work hours would enable them to work; this was the most commonly cited 'enabler' to work.¹⁰ It is usually much harder for people with disabilities or caring responsibilities to find appropriate jobs, even in

areas where the labour market is quite buoyant. Employers tend to discriminate (covertly to avoid breaking the law) against those with physical and mental disabilities.¹¹

This brings us to the third reason why people are not in paid work: the jobs aren't available. At least four people on Job Seeker's Allowance (JSA) are chasing every unfilled Job Centre vacancy in the country. In some areas there are more than 20 job seekers per vacancy, according to a recent survey.¹² The supply of jobs is not evenly distributed across the county. There are many more jobs available in parts of the South East, for example, than in the North West. This has been true for years, but the gap is widening as a result of public sector job cuts.

There remains a very small minority of people who are able to work and could get a job but choose not to do so. Some have opted out because wages are so low and conditions so poor that they do not consider it worthwhile. They may prefer to spend their time volunteering or doing something creative (which may in time lead to rewarding paid work). As for the remaining few

who seem to fit the picture painted by George Osborne, this is seldom because they choose to live that way. More often, they have been beaten down by the experience of poverty and joblessness, and by a sense of failure.¹³ The last thing they need is to be branded as skivers.

People in paid work are major recipients of state benefits

According to the myth, strivers put money into the economy while skivers take money out. In fact, a far greater proportion of social expenditure is spent on people in paid work, through working tax credits, than is spent on the fit and able-bodied unemployed.

Last year expenditure on Income Support and Working Tax Credits amounted to £13.8bn, more than double the £4.9bn paid out to JSA claimants.¹⁴ Similarly, taking into account all the different benefits available, and distinguishing between different groups by their primary benefit, 20.8 per cent of the total benefits bill is spent on employed people on low incomes, while only 2.6 per cent is actually spent on the able-bodied unemployed¹⁵ (Figure 1).

Figure 1: Expenditure by recipient as a percentage of total, 2011-12

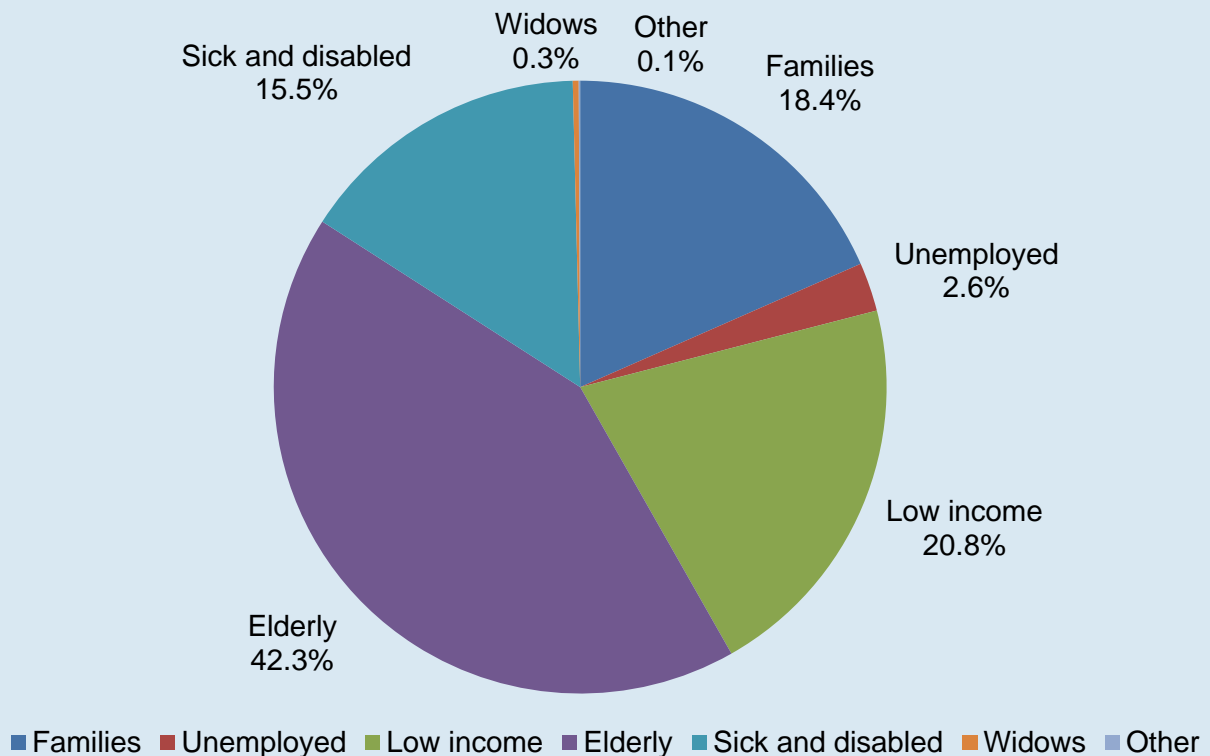
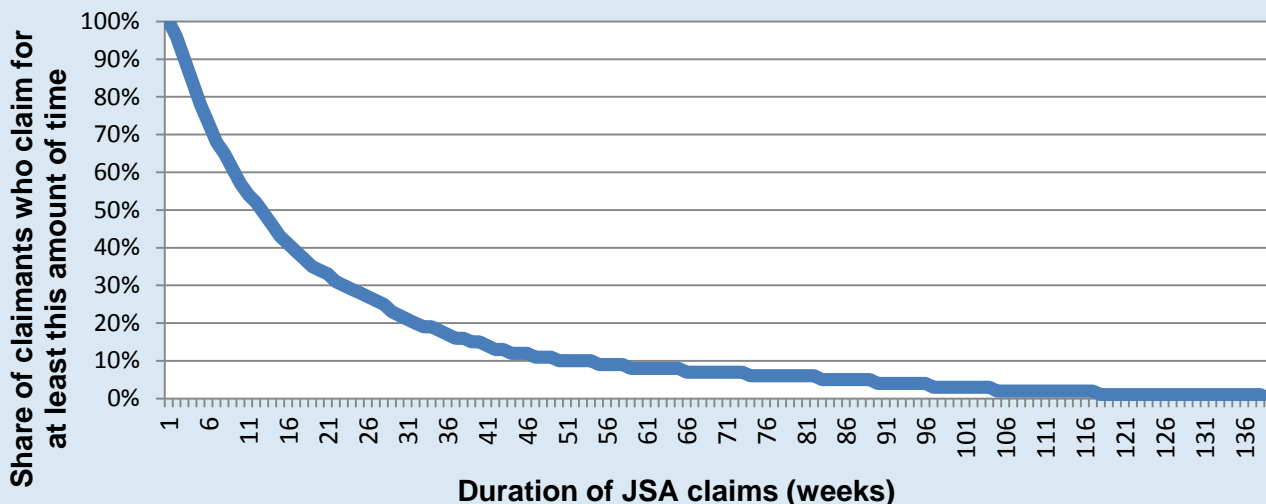


Figure 2: Duration of JSA claim from initial claim in weeks



Source: Data from DWP/Ministry of Justice data linking project 'Offending employment and benefits' <http://www.justice.gov.uk/downloads/statistics/mojstats/offending-employment-benefits-emerging-findings-tables.xls>.

For the first time ever, in-work poverty has overtaken workless poverty. One in five people employed in Britain are on low pay.¹⁶ There are 6.1 million people in working households living in poverty¹⁷.

People with jobs cannot be blamed for the rank injustice of in-work poverty or for the cumulative cost of tax credits supplementing low income. It is equally absurd to blame the so-called skivers, because doing so obscures three important facts. First, employers pay too little for too many of their employees. Second, having a job no longer ensures even a basic standard of living. Third, instead of tackling the problem of low income, the government is subsidising poor quality employment. Taxpayers are picking up the bill by topping up wages so that paid workers can feed and house themselves and their families.

Claiming benefits does not trap people in long-term dependency

The vast majority of people claiming Job Seeker's Allowance (JSA) do not claim over the long-term. As the graph above shows, on average, less than half claim for more than 13 weeks and only 10 per cent of all claimants claim for more than a year. The JSA pays only £71 per week or a meagre £56 per week for those under 25.

Does the dependency argument hold for those claiming other benefits? The graphs below show the proportion of people claiming benefits from the DWP in February 2011, distinguished by the types of benefits they claim. The first shows all claims. The second shows claims lasting five years or more.

Figure 3: All Claims

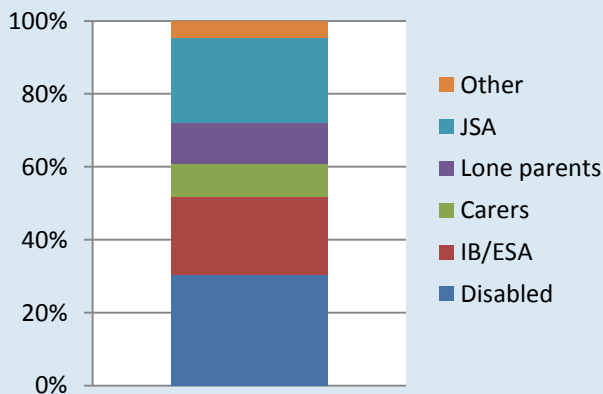
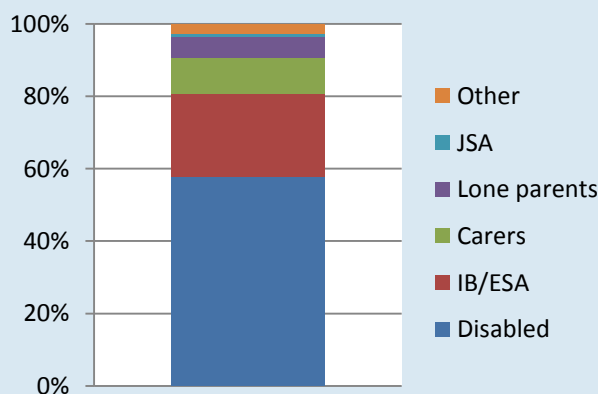


Figure 4: Claims lasting 5yrs or more



Source: Figures published by the TUC, <http://www.tuc.org.uk/social/tuc-20945-f0.cfm>. Original source: Work and Pensions Longitudinal Study and ONS Labour Market Statistics Table CLA03

Reflecting the rules for claiming benefits over time, people receiving long term benefits are those with long-term or severe disabilities, those with physical or mental disabilities who require income support (IS) due to the costs their conditions impose, and those whose caring responsibilities prevent them from being able to work. More than 80 per cent of those claiming benefits for five years or more are claiming Incapacity Benefit (IB), Disability Living Allowance (DLA), or Employment and Support Allowance (ESA). Less than six per cent are claiming benefits to help them as lone parents, while only one per cent are claiming unemployment benefit.

Dependency is not a social evil that is passed on from one generation to the next

A strong component of the myth is that dependency is a bad thing and gives rise to a culture of worklessness that is passed down through generations of benefit claimants. This is wrong on two counts. First, there is nothing disreputable about being dependent. We are all dependent on others at certain points in our lives – when we are young, sick and old, as well as when we find ourselves without enough to live on. We depend on each other for love, friendship, care, support and much else besides. This is a positive, defining characteristic of a flourishing society: that we all depend on and care for one another in different ways, as our needs and resources change over time.

Second, it is not at all common for children of jobless parents to opt for benefits instead of work. An analysis of data from the Office of National Statistics (ONS) found that of families with two generations living in the same household, the proportion where both generations had never worked made up less than one per cent – around 15,000 households across the UK. The same study found that, although sons whose fathers had been unemployed were more likely to be unemployed, this only applied where there were few jobs in the local labour market.¹⁸ The rare cases of ‘intergenerational worklessness’ were more likely to be explained by a lack of jobs than by any preference for claiming benefits rather than working.

Many who are not in paid work contribute substantial value to society

According to the myth only people in paid work make a contribution to society, while those not in paid work contribute nothing of value. This is wrong for two reasons. First, a great many people who are not in paid employment are carrying out unpaid work. The formal economy, where paid work is undertaken, would grind to a halt without the unpaid work that people (mainly women) do in caring for others, bringing up children and looking after their families, homes and neighbourhoods.

This work is largely unnoticed and given no status or price by the formal economy. Yet its value has been estimated at more than 20 per cent of gross domestic product – and that’s when hours are priced as if paid the national minimum wage, which scarcely reflects the full value of this essential contribution.¹⁹ As we have seen many people are not in paid work because they have prior responsibilities that involve unpaid labour.

The second reason is that the value of people’s contributions cannot be measured solely in economic terms. There is more to society than the economy. Think of work that keeps local neighbourhoods safe, clean and inviting, keeps people healthy and happy, and enhances people’s abilities as parents, friends and neighbours. Think of making music, creating works of art, informal teaching and learning, gardening, exploring, reflecting, taking part in politics, or campaigning for a better world. Much of this may indeed contribute, directly or indirectly, to the economy. But more importantly, these activities – and so many others – are of value in their own right, without any price tag attached. For some people, staying out of the labour market is a sensible choice and one that allows them time to make a valuable contribution to society.

Don’t let divide and rule poison welfare reform

All of us depend throughout our life on others’ hard work. Some of that work attracts a wage, but that doesn’t make it any more valuable. Much of it is unpaid, but that doesn’t make it any less valuable. So we must revive a sense of solidarity and build a better understanding of why everyone

benefits from working together and helping each other when times are hard, rather than just looking out for ‘number one’. We need a benefits system that respects and supports this interdependence – not one that fosters division, competition and looking after ‘number one’.

Endnotes

- ¹ Economic inactivity is defined as people who are not in employment but do not meet the internationally accepted definition of unemployment because they have not been seeking work within the last four weeks and/or they are unable to start work within the next two weeks.
- ² Tracy Shildrick et al., November 2010, The low-pay, no-pay cycle: understanding recurrent poverty, JRF, <http://www.jrf.org.uk/publications/understanding-recurrent-poverty>
- ³ <http://www.ifs.org.uk/bns/bn13.pdf>
- ⁴ <http://www.dpac.uk.net/2012/11/the-real-wca-figures-after-appeal-76-entitled-to-support/>
- ⁵ <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmpublic/744/74403.htm>
- ⁶ <http://www.guardian.co.uk/society/2013/feb/08/dwp-fitness-to-work-fiasco>
- ⁷ <http://www.carersuk.org/newsroom/item/2617-care-in-crisis-more-than-53-billion-wiped-from-the-economy>
- ⁸ <http://www.ifs.org.uk/publications/6539>
- ⁹ <http://www.carersuk.org/newsroom/item/2852-sandwich-caring-families-under-pressure>
- ¹⁰ <http://statistics.dwp.gov.uk/asd/asd1/los/employment.pdf>
- ¹¹ In a 2009 YouGovStone survey carried out on behalf of the Institute of Occupational Safety and Health, a panel of 720 UK business leaders were asked whether they would offer job opportunities to people on incapacity benefit because of sickness or injury or older workers, who may want to return to work. In response, 49 per cent said no, 27 per cent said yes, 24 per cent didn't know.
- ¹² http://www.unison.org.uk/asppresspack/pressrelease_view.asp?id=2990
- ¹³ The detrimental impact of poverty, unemployment and low incomes on mental health is well documented in The Impact of the Economic Downturn and Policy Changes on Health Inequalities in London, UCL Institute of Health Equity, June 2012, available at: <http://www.instituteofhealthequity.org/projects/demographics-finance-and-policy-london-2011-15-effects-on-housing-employment-and-income-and-strategies-to-reduce-health-inequalities>. Pp. 18-19 of this report cites a wide range of studies and evidence supporting this conclusion, including qualitative research and testimonies from GPs.
- ¹⁴ James Browne and Andrew Hood, November 2012, A Survey of the UK Benefit System, IFS Briefing Note BN13, p5, <http://www.ifs.org.uk/bns/bn13.pdf>
- ¹⁵ James Browne and Andrew Hood, November 2012, A Survey of the UK Benefit System, IFS Briefing Note BN13, p7, <http://www.ifs.org.uk/bns/bn13.pdf>
- ¹⁶ (Defined as 2/3 or less of median pay).
- ¹⁷ Matthew Pennycook, Matthew Whittaker, September 2012, Low Pay Britain 2012, Resolution Foundation, http://www.resolutionfoundation.org/media/media/downloads/Low_Pay_Britain_1.pdf and JRF, Monitoring poverty and social exclusion 2012
- ¹⁸ Lindsey Macmillan, 2011, Measuring the intergenerational correlation of worklessness, Dept of Economics and CMPO, University of Bristol, CMPO Working Paper Series No. 11/278
- ¹⁹ Coote, A, Franklin, J, Simms, A (2010) 21 Hours why a shorter working week would help us all to flourish in the 21st century (London: nef) pp.14-15