

The next two chapters examine the association between poverty and both the employment situation in general and low pay in particular. A majority of people living in or on the margins of poverty are dependent for their main source of income upon earnings. This is one of the most striking results of the survey. The fact that a large proportion of the poor are in work is not exactly a new phenomenon. Seebohm Rowntree found it to be true of York both in 1899 and 1936,¹ and secondary analysis of government survey data showed it to be true of the United Kingdom as a whole in 1953-4 and 1960.² But its scale is bound to be regarded with discomfiture in any society setting considerable store by the work ethic and self-help. If there are people in full employment who none the less cannot earn enough even to maintain themselves and their families according to society's own definition of subsistence, that would seem, on the face of it, to pose awkward questions about the 'efficiency' and acceptability of the wage system.

Our analysis must start with the fact that about 49 per cent of the resources on which the population depends for its living standards are net earnings from employment and self-employment, and another 7 per cent derives from employer pensions and fringe benefits received directly or indirectly by virtue of employment.³ Some of the remaining 44 per cent, including, for example, flat-rate and earnings-related unemployment insurance benefits and redundancy payments, could also be argued to be indirectly dependent on the employment situation of the worker. None the less, even 56 per cent is the bulk of the total and although a society could choose to control differently the living standards of the population (for example, by separating work from income and by paying incomes or available goods and services equally to all citizens or according to criteria of need, including age and

¹ In 1899, about 77 per cent, and in 1936, about 43 per cent, of those in poverty were primarily dependent on wages. See Rowntree, B. S., *Poverty: A Study of Town Life*, Macmillan, London, 1901; and Rowntree, B. S., *Poverty and Progress*, Longmans, Green, London, 1941.

² About 40 per cent in poverty in 1960 were primarily dependent on wages. See Abel-Smith, B., and Townsend, P., *The Poor and the Poorest*, Bell, London, 1965. See also *The Circumstances of Families*, HMSO, London, 1967.

³ See Chapter 5, page 226.

dependency), the fact is that, in the United Kingdom today, the relationship between employment and income is crucial in understanding and explaining the distribution of resources and the special condition of poverty.

In this chapter and the next I shall argue that unemployment and low pay must not be treated as discrete phenomena. Neither can be understood or explained except in the context of both the occupational and wage structure as a whole. People of working age, first, are not divided sharply into the employed on the one hand and the unemployed on the other. Each are differentiated into grades according to their experience and expectations of security and continuity or regularity of employment. At one extreme are the continuously unemployed who want work. At the other are people with continuous experience of employment who have 'tenure' and little prospect of loss of employment or of loss of earnings, even in sickness, until the day of their retirement, and even then an occupational pension closely related to final earnings. In between will be the upwardly mobile, with rising expectations of work security; the downwardly mobile, with increasing exposure to the risks of unemployment and redundancy; the seasonal and the part-time workers with poor security who would like, to work full-time throughout the year; people with recurrent experience of unemployment; people with experience of more than one change of job because of redundancy; and those with family dependency who have a fitful and often exploited experience of the labour market. These groups of workers have arisen historically because of the needs, constraints and fluctuations of the labour market and their numbers vary according, among other things, to the officially defined unemployment rate. Society 'regulates' their numbers, as it does the numbers of wholly unemployed. The concept of the sub-employed has been applied to include both certain groups of workers who are underemployed or vulnerable to loss of job, and those actually unemployed.¹ It is perhaps best treated as covering unemployed, discontinuously employed, temporary, seasonal and marginal (e.g. part-time or second job) workers. This has the advantage of suggesting that some of the problems of the unemployed are shared with certain groups of people who have an insecure foothold in work, and that remedies for the conditions of both may have to be found if any realistic policies are to be developed to protect the occupational and income rights of the unemployed.

Secondly, people in employment are not divided sharply into the low paid and the rest. There are fine gradations of pay within occupations, and even sometimes within

¹ The US Department of Labor adopted 'subemployment' and 'underemployment' to measure the extent of 'employment hardship'. The subemployed were defined to include low-wage workers, those in part-time work who expressed a desire for a full-time job, the unemployed and those who had given up looking for a job. See US Department of Labor, *Manpower Report of the President, 1968*, Government Printing Center, Washington, DC, 1969, pp. 35-6. See also Cohen, M., 'Some Alternative Measures of Sub-employment', *US Bureau of Labor Statistics*, 9 September 1968; and Stein, R., 'Subemployment Measures', *US Bureau of Labor Statistics*, 7 May 1969.

the same occupations of particular firms, as well as within and between industries. Any line that is drawn will leave many people only a few pence better off than the low paid', and some among the latter substantially worse off than others. Again, pay that may be relatively low in a region or in an industry may not be low for the country as a whole. Much therefore depends on the reference group selected with which to compare level of pay. And since people move into and out of employment, change jobs and experience marked fluctuations in earnings, the population categorized as 'low paid' will change appreciably from year to year and even from week to week. Much therefore also depends on the time period over which the level of pay is to be judged. The problem of fixing on a concept of low pay which can be easily defined and agreed in practice is fundamentally the problem of separating part of an intricately interwoven structure from the whole, rather like separating tissue from a muscle in the human anatomy. My point is to suggest the difficulty of tracing defect except to the whole organism and therefore of recommending restorative treatment other than by treating the whole organism.

Discontinuous Employment and Poverty

I shall start by demonstrating that there is a systematic association between the likelihood of poverty and the greater discontinuity of employment. The estimates from the survey of the population in employment can be compared with census data about the 'economically active' and also with the 'working population' as defined by the Department of Employment. According to the Census, there were in Britain 15,994,000 males aged 15 and over in 1966, and 15,917,000 in 1971, who were economically active. This suggests a figure of about 15.95 million in 1969, or about 16.40 million for the United Kingdom as a whole, the same as the poverty survey estimate for the latter. For women, census data and the survey estimates do not correspond so closely, being 9.31 million and 10.11 million respectively. However, about 1 million included in the latter (the survey estimate) had been employed for fewer than twenty-six weeks in the year and had not been off work because of sickness or unemployment. Many of these would not have fallen within the census definition of 'economically active'.¹ Indeed the fact, that at one time around a

¹ The census definition of the economically active includes persons aged 15 and over who were in employment at any time during the week before the census day, together with those who were out of employment during that week but who were intending to get work. The sick would be included, but only if their jobs awaited them upon their return. There are therefore at least two points which differentiate the total from the estimates given above from the poverty survey. Those employed during the twelve months of the poverty survey would have included additionally: (a) persons who had worked during the year but no longer intended to work (e.g. retired and disabled people, and women giving up work for childbirth and other reasons); and (b) persons who were sick and no longer intended to work, or had no job to go back to, but had worked in the year.

million women have worked at least one week in the preceding fifty-two but less than half those weeks suggests how much industry may depend on women working for relatively short spells.¹

The Department of Employment gave estimates of the working population for the last three quarters of 1968 and the first quarter of 1969 which averaged about 16.3 million for males and 8.95 million for females, giving a total of 25.25 million for Britain. These figures would be equivalent to about 16.8, 9.2 and 26.0 million respectively for the United Kingdom as a whole. The poverty survey estimates are 16.4, 10.1 and 26.5 million respectively for the United Kingdom. Until June 1971, however, the Department of Employment gave estimates of the working population based on a count of national insurance cards. It is known that some cards were exchanged belatedly and some people may have been wrongly collated in the working population. In June 1971, when the Census of Employment was introduced, new estimates were 120,000 lower for male and 260,000 lower for female employees. The department explained that the old count of national insurance cards included many [though presumably not all] employees who work for part of the year only, and who would not have been in employment in the particular week in June when the census was taken ... Another difference is that a person who had two regular jobs with different employers in the week of the census was counted twice in the census but only once in the card count.²

In the survey, a record for the preceding twelve months was completed for all adults who had worked for at least one week in the year. The number of weeks at work, sick, disabled, unemployed, on paid or unpaid holiday and off work for other reasons (for example, caring for someone ill or children on holiday from school, childbirth, taking up or resuming full-time study) were listed. Except for holidays, the principal interruptions of employment were for sickness and unemployment. Table 17.1 presents a summary. Eighty-two per cent of men and 45 per cent of women had been employed in the year. As many as 12 per cent of employed men, and 11 per cent of women, had lost at least five weeks during the year because of unemployment, sickness or both unemployment and sickness. Another 22 per cent of both employed men and women had lost from one to five weeks for these reasons. There were others who had worked fewer than twenty-six weeks, or who, though working most of the year, had worked short time.

The table therefore identifies some of the groups occupying points on a continuum from 'whole' year full-time employment to 'whole' year non-employment. What the

¹ Some were young entrants to employment or retirees. Thus, a quarter were aged 15-19 or over 60. This still leaves substantial numbers in their twenties, thirties, forties and fifties entering or leaving paid employment. (Of the third of a million men working fewer than twenty-six weeks in the preceding year, nearly two thirds were aged 15-19 or 65 and over, and most of the others were in their twenties.)

² *Department of Employment Gazette*, September 1974, p. 838.

table also illustrates is the relatively worsening financial situation of the groups occupying different points between the two extremes. Our data on net disposable incomes include income other than earnings, and allow for the effects of personal taxation. Differences in the composition of income units are allowed for in our measure of income as a percentage of the appropriate supplementary benefit standard.

Table 17.1. Percentages and estimated number of males and females aged 15 and over according to continuity of employment in the previous twelve months and risk of experiencing poverty.

<i>Continuity of employment in previous 12 months</i>	<i>Percentage</i>		<i>Estimated number in population (000s)^a</i>		<i>Percentage of those in each category in income units in poverty or on margins of poverty^b</i>	
	<i>Males</i>	<i>Females</i>	<i>Males</i>	<i>Females</i>	<i>Males</i>	<i>Females</i>
Sick or disabled, 1-4 weeks (no employment)	15.3	9.4	3,070	2,120	15	9
Sick or disabled, 5-25 weeks (no employment)	5.6	3.0	1,110	670	22	26
Sick or disabled, 26 or more weeks (no unemployment)	0.4	0.3	80	60		
Unemployed, 1-4 weeks (no sickness or under 5 weeks' sickness)	2.3	0.5	460	110	(35)	-
Unemployed, 1-4 weeks (5 or more weeks' sickness)	0.3	0.0	60	0		
Unemployed, 5-25 weeks (no sickness or under 5 weeks' sickness)	2.4	1.2	470	280	30	(32)
Unemployed, 5-25 weeks (5 or more weeks' sickness)	0.5	0.3	30	70		
Unemployed, 26 weeks or more (whether or not weeks sick)	0.6	0.3	120	60		
Employed, 1-25 weeks (no sickness or unemployment)	1.8	4.8	360	1,070	(68)	42
Employed, 26 weeks or more (no sickness or unemployment)	52.6	25.2	10,550	5,670	14	13
[All employed in 12 months]	81.7	45.0	16,380	10,110	17	17

Table 17.1.-contd.

<i>Continuity of employment in previous 12 months</i>	<i>Percentage</i>		<i>Estimated number in population (000s)^a</i>		<i>Percentage of those in each category in income units in poverty or on margins of poverty^b</i>	
	<i>Males</i>	<i>Females</i>	<i>Males</i>	<i>Females</i>	<i>Males</i>	<i>Females</i>
	Not employed in year, aged 15-19	4.5	3.7	900	840	27
Not employed in year, aged 20 or over but under pension- able age	3.3	28.5	660	6,420	75	36
Not employed, of pension- able age	10.5	22.8	2,100	5,120	70	71
[All not employed in 12 months]	18.3	55.0	3,660	12,380	61	51
Total	100	100	20,040	22,490	22	35
Number	1,909	2,249	-	-	-	-

NOTES: ^aRounded to nearest 10,000. To conform with the Registrar-General's estimates of the number of males and females in the United Kingdom aged 15 and over, the numbers in the sample of this age (for whom the information in this table was available) were multiplied by 10,500 in the case of men and 10,000 in the case of women. No other adjustments have been made to sub-groups.

^bNet disposable income of income unit in previous year of less than 140 per cent of supplementary benefit standard plus housing cost.

Although there are substantial variations of income within most groups, especially in relation to occupational class, the general trend must be stressed. Despite sick-pay arrangements and private insurance, national insurance benefits, including retirement pensions, redundancy payments, earnings-related benefits, and the possibility of a husband or wife in the income unit going out to work in the event of absence from work, the chances of being in poverty or on the margins of poverty rise remorselessly with increasing distance from the status of someone who has worked full time (with the exception of holidays) throughout the year. Fourteen per cent of men, and 13 per cent of women, who had worked twenty-six weeks or more in the year (most of them forty-five or more weeks) were in income units in poverty or on the margins of poverty. But 70 per cent of non-employed men and 71 per cent of non-employed women of pensionable age were in a comparable situation, and as many as 75 per cent of non-employed men aged 20-64. With the exception of people employed throughout the year who had none the less experienced from one to four

weeks' (mostly one or two weeks') sickness, those in intermediate groups were more likely to be poor the fewer their weeks in work. The pattern is complicated only by the question of different combinations of earnings in different married income units. Sometimes both man and wife may be earning, sometimes only one of the pair and sometimes neither. As the table shows, more non-employed women of working age than of those working most of the year are poor, but far fewer than of non-employed men. This is because more have a spouse in paid employment.

The figures in the last two columns of the table are given in relation to only one point in the dispersion of incomes, and for persons in income units, not households. The same trend, however, characterized other points in the dispersion -for example, at the basic poverty level and at a level three times or more than three times the poverty level. If the income of the household as a whole rather than of income units is taken into the reckoning, the numbers in the groups with different work records in, or on the margins of, poverty are smaller. For example, some old people live with more prosperous younger relatives and some unmarried young adults with more prosperous parents. But, partly because most households consist of only one income unit, the trend remained the same. Thus, the number of men working twenty-six weeks of the year or more who were in households below or on the margins of the poverty line was 14 per cent, compared with 22 per cent for men who had experienced five or more weeks of sickness, 20 per cent for non-employed youths aged 15 to 19, and 59 per cent for non-employed men aged 65 and over.

The picture presented in Table 17.1 depends on the number of weeks in the year unemployed, employed, sick or disabled or not employed, and not on current employment status. Table A.64 in Appendix Eight (page 1041) shows rather more clearly for both currently employed and not employed that more of those with the longest spells of unemployment in the year were living in poverty or on the margins of poverty.

In a society, therefore, in which incomes, despite their complexity, generally favour the employed, the factors which control the *size* of different groups of the employed and non-employed are as important as those which determine the *levels* of incomes which are distributed. Without any change in the relativities of different types of income, the proportion of the population in poverty can increase or decrease according to a change in the relative numbers of employed and non-employed, and therefore in access to employment. Expressed in policy terms, employers can sometimes achieve the same result by restricting or reorganizing manpower as by opposing wage increase. Historically, the access of adolescent children and older people to employment has been increasingly restricted by legal means and social convention. There seems also to have been a tendency in recent decades for the number with lengthy interruptions of employment in the year be cause of sickness or disability to increase. The number of wholly unemployed has fluctuated less

consistently and trends in the numbers of 'marginal' workers have been more problematic.

Quite apart from changes in the size of the different components of a system -in this case, the occupational role structure of the economy - the system itself may subdivide or sub-groups may coalesce. One example is the explicit attempts of some socialist states to abolish unemployment. Another is the emergence in both market economies and socialist states of a retired category of the population. In theory, therefore, there can be a marked distinction between the employed and the non-employed, each group having relatively homogeneous conditions and living standards. Alternatively, the splitting of each group into different sub-groups might come to form a hierarchy in which the employed merge almost imperceptibly with the non-employed. The facts seem to correspond more closely with the latter model.

The Levels of Unemployment and Sub-employment

There is a close relationship, therefore, between people's employment category, defined in terms of degree of access to continuous full-time employment, and their likelihood of being in poverty. And once each category is examined, each is found to fall into sub-categories differentially placed in access to income. What are the reasons for this fine grading by income opportunity? On the one hand, in its values, society is constantly discriminating between the undeserving and deserving in each situation. Such discrimination has three principal sources: the class structure, whereby rewards and privileges are graded according to social superiority and inferiority; secondly the work ethic, whereby a need is felt to inculcate the importance of productive work, but also, thirdly, from a need which is also felt to close ranks and integrate. In each disadvantaged group, there have to be those who are potentially capable of being readmitted to positions of advantage and can be treated as potentially good citizens. Moreover, if there are, for reasons of economic and industrial necessity, large numbers of people going through the turnstiles, it is convenient to establish principles of queuing, so that rules exist to define those who are at the head of the queue and can be readmitted in an orderly fashion. For these different reasons, the population as a whole, and the labour force in particular, are rather finely stratified.

The wholly unemployed are at one extreme of the continuum. In the sample, those unemployed in the week prior to interview comprised 2.8 per cent of men and 1.1 per cent of women employed at all in the year.¹ These figures compare with an

¹ These rates would be about 34 per cent and 11 per cent if the figures of those employed in the year were adjusted to conform with official statistics on the basis of national insurance cards. If people in the sample were not at work in the previous week they were asked, 'Why weren't you at work last week?' Our counts refer only to those who said they were unemployed. There may have been others who were registered as unemployed but giving other reasons for not working. Our denominator for both sexes is relatively larger than that used by the Department of

average in Britain in 1968-9 of 3.2 per cent and 1.0 per cent respectively.¹

These rates require explanation. Those published by the Department of Employment are based on the numbers registered as unemployed. When people become unemployed, they sign on at the employment exchange and call there twice a week to establish their entitlement to unemployment benefit or supplementary benefit. The statistics of unemployment are therefore a kind of by-product of the administration of unemployment benefit, and as such have been severely criticized.² They do not reflect unregistered unemployment and hence give a misleading picture of changes in the labour market. They are not adequately related to occupational or skill groups or to social characteristics. They therefore underestimate the extent of unemployment and afford severely limited opportunities for analysis and explanation.³

For April 1966 and 1971, the census found many more unemployed than were then registered with the Department of Employment. Reporting in November 1972, a government inter-departmental working party conceded that there were 'some 100,000 males and 130,000 females [who] described themselves as either seeking work or waiting to take up a job but were not registered as unemployed'.⁴ For April 1971, the figures were put at 100,000 and 300,000 respectively of those who were 'neither sick nor registered as unemployed'.⁵ The difference in the rates, if these estimates are added to the registered unemployed, is shown in Table 17.2. A careful estimate of the situation in 1970 suggested that a household survey would have shown an unemployment rate of half as much again among men instead of the official rate.⁶ However, the General Household Survey for 1971 found that only 7½

Employment.

¹ *Department of Employment Gazette*, Unemployment series.

² U S Department of Labor, Bureau of Labor Statistics, *Monthly Labor Review*, March 1965, April 1967, and September 1970; *National Institute Economic Review*, 1971. See also Bosanquet, N., and Standing, G., 'Government and Unemployment, 1966-1970: A Study of Policy and Evidence', *British Journal of Industrial Relations*, 1972.

³ 'The question at issue is whether the unemployment statistics are adequate. An examination of the record since 1966 suggests that they are not. They have not allowed a proper appreciation to be made of some important changes in the period. They have understated the general downturn of the demand for labour and they have not given an adequate picture of its incidence by industry and occupational group. In the first case this is because of the unsatisfactory quality of the data at present collected, in the second it is because we lack any relevant data. The evidence suggests two directions for change. First, unemployment data should be collected on a household survey basis. Secondly, attempts should be made to calculate rates for specific occupational groups, particularly the unskilled' - *ibid.*, pp. 189-90.

⁴ *Unemployment Statistics*, Report of an Inter-Departmental Working Party, Cmnd 5157, HMSO, London, November 1972, p.23.

⁵ *ibid.*, p. 23.

⁶ *National Institute Economic Review*, May 1971.

Table 17.2. Percentages of employees who were unemployed.

Year	Britain (Department of Employment) ^a		Britain (Census) ^b	
	Men	Women	Men	Women
1966	1.7	0.8	2-4	2.1
1967	2.9	1.2	-	-
1968	3.2	1.0	-	-
1969	3.2	0.9	-	-
1970	3.5	1.0	-	-
1971	4.6	1.4	5.2	4.9
1972	5.0	1.6	-	-
1973	3.6	1.1	-	-
1974	3.7	1.2	-	-
1975	6.0	2.7	-	-
1976	7.2	4.0	-	-
1977	7.8	4.4	-	-

NOTES: ^aNot seasonally adjusted. Monthly average. The denominator used in calculating the percentage rate is the appropriate mid-year estimate of total employees (employed and unemployed).

^bThe numbers of unregistered unemployed as estimated by a government inter-departmental working party have been added to the numbers of registered unemployed.

SOURCE: Department of Employment Gazettes; *Unemployment Statistics*, Cmnd 5157, HMSO, London, 1972.

per cent of the men (though as many as 54 per cent of women) *looking for work* were not registered.¹

What might be said to be the *real* level of unemployment? In addition to the registered unemployed, there are those of working age who are looking for work but not registered at an employment exchange. The numbers in the poverty survey were small, but suggested a figure of 220,000 for the United Kingdom - a figure very close to the 1966 Census figure of 230,000 given above. Of those not working *either* in the week of the interview *or* in the previous week and saying they were looking for work, only a third were actually registered for work. The following were the reasons given for not registering with the employment exchange:

Man; 46; former painter and decorator. Had two fingers cut off in accident two years previously for which he received £1,600 compensation. He had difficulty working and attended an Industrial Rehabilitation Unit for six weeks. 'It was pathetic, no use at all. The Ministry of Labour sent me to six jobs for disabled people. I didn't get them.' He says he does not register now and is looking for a job himself

¹ Office of Population Censuses and Surveys: Social Survey Division, *The General Household Survey*, Introductory Report, HMSO, London, 1973, p. 206.

- because he has had no help. Maybe he is one of those on the Disabled Persons Register who are not included in the unemployment series.¹
- Man; 70; former garage odd-job man. 'I don't know. Always being at work I've had a fear of these places. It seems as if you're trying to beg for something.'
- Man; 72; former builders' labourer. 'I'd lose my pension if they knew I was working.' Man; 76; former windscreen fitter. 'I'm too proud to go there.'
- Wife; 17; 4-month baby; former shop assistant. Husband earns only £7 a week as welder's apprentice. 'My husband doesn't want me to work. Anyway, I want to look for my own job. The ones they give you are no good.'
- Wife; 22; child of one year; former shorthand typist. 'My husband is only a machinist. I'm looking for part-time work in the evenings.'
- Wife; 27; child of four; former presser in cleaners. 'I'm only sort of half working. My husband doesn't want me to work.'
- Wife; 28 ; three children under 10. 'I want work either in evenings or in the day if we can live in, because of the children. There's no work available. The exchange don't help people like me.'
- Wife; 33; child of 3; former clothing cutter. 'I'm on a waiting list for a vacancy serving school meals. The hours will suit me. [Her child is at nursery school.] I will finish at 3 p.m.'
- Wife; 39; three children aged 6-12. 'It didn't occur to me [in looking for a part-time job to go to the exchange]:
- Wife; 40; three children aged 10-16; former clerk. 'I haven't bothered. I'm not that desperate. I'd take a job if a nice one cropped up locally.'
- Wife; 43; 1-year-old child; former telephone wirer. 'They don't seem to have anything for you. They don't seem to bother unless you're getting unemployment money.'
- Wife; 44; two children of 11 and 21; former telecommunications inspector. 'I've never been down. I want part-time work; I've never thought of going.'
- Wife; 45 ; formerly primary-school teacher. 'I don't want a full-time job yet. I'm recovering from hepatitis.'
- Wife; 47; daughter of 21 and grandchild aged 6; former egg-breaker for dried-egg factory. 'You've got to have so many stamps. I haven't got them. The employment exchange is no use. They never get you a job.'
- Wife; 52; no children; former head waitress. 'Because they do not have vacancies for the position I want.'
- Wife; 53; children aged 18 and 22; former paper-sorter. 'I was just looking for part-time work and I don't pay the full stamps so there's not much point in my going there.'
- Wife; 54; son of 20 at work; former shop assistant. 'I'm not looking that hard and I don't think there's a very great chance of getting a job.'
- Wife; 60; formerly armaments factory worker in war; husband a colliery surface worker. 'I'm too old. There's no work in this area for young women let alone old ones.'
- Single woman; 62; former company secretary on estate. 'I don't think they deal with

¹ *Unemployment Statistics*, p. 18.

the kind of work I want.’

In addition to the unregistered unemployed who stated they were looking for work were various categories of non-employed people of socially defined working age. They could be regarded as ranging from, at one extreme, non-incapacitated people without conventional types of obligation to dependants in the home, who were not looking for work only because there was little work to be had, or no appropriate work, in their locality, to severely incapacitated people, at the other extreme, who would have had great difficulty in following most forms of employment. Their attitudes to the question of getting work could be said to be conditioned by both conventional values about people with their characteristics and status taking paid employment, and the opportunities that were actually offered to them in their neighbourhoods. Although they could be classified elaborately, people under pension age who were not working at all in the year and whose productive energies could conceivably be tapped could be, said to fall into four groups: (a) relatively non-incapacitated men, most of them being in their fifties and early sixties; (b) young, non-incapacitated women, mostly married, without dependants; (c) middle-aged and older non-incapacitated women, mostly married, without dependants; (d) relatively incapacitated men and women who could be employed productively in a limited range of occupations, or in sheltered conditions. The first, and, in part, the third group, are discussed in Chapter 19. A distinction is drawn between the second and third of these groups primarily because there are substantial numbers of middle-aged and older women who have not had much, if any, previous experience of paid employment.

The extent to which these groups are, or might be, drawn into paid forms of employment depends very much on the employment system of a society and the views that are held conventionally about the desirability of creating employment for them. And I have not added young married women with dependants, for many of whom a different case could be made. In Britain, dramatic changes in employment occurred during both world wars, and the fact that changes at other times have been more gradual should not prevent us from recognizing how society, through both its values and its institutions, directly controls the definition of both the scope of, and the terms of eligibility for, paid employment.

There are at least two other groups who might be included in any definition of ‘real’ unemployment, namely, the unemployed of pensionable age and the under-employed. (In principle, a group of sick who might be more quickly restored to health might also be included.) The marked reduction during this century in the proportion of men aged 65 and over who are in paid employment is discussed in Chapter 23. Here it should only be noted that the numbers of retired but still physically and mentally active men (and women) of pensionable age have been growing rapidly and are very large, and that the evolution of ‘retirement’ status is a social convention of recent origins.

Finally, among those employed during a year there are the under-employed. Some are under-employed in the sense they would choose to have *more* paid employment (including some who have actively sought more). They would like to work longer

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hours or more weeks of the year. Others work relatively few hours or relatively few weeks, and although given present assumptions they may not express a wish to work more, their family situation and health would seem to make it possible. Under-employment might be the subject of a special inquiry. We found that among those persons who had worked fewer than thirty hours in the previous week, 37 per cent of men and 17 per cent of women said they would have liked to work longer hours, some of them with reservations, but 19 per cent and 4 per cent unconditionally. Another fifth of men and women said they could not work longer, and the rest did not wish to do so.

On the basis of the survey, we estimated there were 200,000 men and 560,000 women expressing a wish to work longer hours. (These figures are subject to wide sampling errors.) About a third of the men were young, but the majority were middle aged or of pensionable age. Just over half the women were in the age groups 40-59, but nearly half were in their twenties and thirties. More than half the women had dependent children, including some who were unsupported mothers.

Estimates are given below of different categories of employment and unemployment on the basis of the survey findings (figures in 1,000s, with numbers of men in brackets):

1.	Employed or self-employed during the year	26,490	(16,380)
2.	At any time saying they were not at work in the previous week because of unemployment (including those not registered with employment exchange)	570 220	(450) (30)
3.	Unemployed		
	(a) Unemployed for at least one week of the year (registered and unregistered)	1,800	(1,270)
	(b) As (a), including self-employed	1,900	(1,330)
	(c) Unemployed for at least 10 of previous 52 weeks	700	(450)
4.	Non-incapacitated people not actively seeking work (scoring less than 3 on disability index)		
	(a) Men under pensionable age	168	(168)
	(b) Women under 50 (without dependants in household, other than husband)	900	-
	(c) Women 50-59 (without dependants in household, other than husband)	220	-
	(d) Men and women of pensionable age	2,512	(1,092)
5.	Relatively incapacitated men and women under pensionable age (excluding women with dependent children)	461	(241)
6.	Under-employed (i.e. working less than 30 hours and expressing a wish to work longer hours)	730	(170)

Far more people than are unemployed at any single time experience unemployment in the course of twelve months. While the rates derived for each age group

Table 17.3. Percentages of males and females employed for one or more weeks during the previous twelve months who were unemployed in the week previous to interview and at least one week during the previous twelve months.

Age	Males			Females		
	Percentage unemployed		Total number	Percentage unemployed		Total number ^a
	week previous to interview	for one or more weeks during year		week previous to interview	for one or more weeks during year	
15-19	6.2	17.7	130	0.8	8.4	119
20-29	3.2	10.2	372	1.6	5.8	257
30-39	1.2	6.1	342	0.6	5.4	167
40-54	2.1	5.7	436	0.3	3.3	337
55-64	4.3	6.4	282	2.5	5.1	118
65+	0.0	3.3	61	3.1	(6.2)	32
All ages 15+	2.8	7.8	1,623	1.1	5.1	1,030

NOTE: ^aThe self-employed are entirely excluded from the table. Twelve men and two women not employed during the year but stating they were unemployed are included.

in the poverty survey are subject to a wide margin of error, they are consistently smaller than the percentage of each age group experiencing unemployment during the year. Table 17.3 shows that more than three times as many men and five times as many women who were unemployed in the previous week had been unemployed at some stage during the year. The high rates for those in their teens and twenties are particularly striking.

Occupational Class and Unemployment

A high proportion of manual workers, and especially unskilled workers, live in the shadow of unemployment. While the unskilled accounted for only 9 per cent of the male labour force experiencing no unemployment in the previous twelve months, they were 17 per cent of those experiencing from one to nine weeks unemployment in the year, and 39 per cent of those with ten or more weeks' unemployment. By contrast, professional and managerial employees, accounting for a slightly larger proportion of the labour force (10 per cent), scarcely featured at all among the unemployed. Only one of the 155 male members of a professional association in the entire sample had experienced any unemployment in the previous year.

The risk of a man being unemployed for at least one week in the year rose from

Table 17.4. Percentages of unemployed and employed men and women who were of different occupational class, and percentages of different classes who were unemployed.

Occupational class	Number of weeks employed in year					Percentage of economically active who were unemployed in year		Number of economically active in sample	
	Males over 10	1-9	none	Females 1 week or more	none	Males	Females	Males	Females
Professional or managerial	(0)	0	10	4	2	0	-	167	27
Other non-manual	(20)	21	30	44	55	5	4	509	576
Skilled manual	(17)	44	34	4	6	7	3	589	62
Partly skilled manual	(24)	17	17	38	24	9	8	281	259
Unskilled	(39)	17	9	11	13	18	5	171	133
Total	100	100	100	100	100	7	5	1,717	1,057
Number	49	75	1,596	55	1,002	-	-	-	-

NOTE: All those employed or self-employed one week in year are included in the economically active. Also included are twelve men and two women not employed during the previous fifty-two weeks but saying they were unemployed.

zero, among professional and managerial groups, to 2 per cent, among higher supervisory grades, 6 per cent or 7 per cent among lower supervisory grades, routine non-manual workers and skilled manual workers, 9 per cent among partly skilled, to 18 per cent among the unskilled.

The pattern is not quite the same for women. More unemployed during the year than continuously employed were manual workers (53 per cent, compared with 43 per cent), but there was no marked relationship, as there had been for men, between declining occupational status and rising risk of unemployment. However, unemployment among women is much harder than among men to define and measure, especially since a high proportion of women work only for certain weeks of the year, or fewer than thirty hours a week. Women with a cleaning job occupying twenty hours a week, for example, who also have family dependants at home, do not

always categorize interruptions of paid employment as 'unemployment'. Such interruptions are due not only to the fluctuating needs and fortunes of their families, but also to the marginal and often fitful nature of their employment.

The Institutional and Personal Characteristics of the Unemployed

The unemployed have characteristics which derive from the disproportionate numbers among them who are manual workers, particularly unskilled manual workers. But it is important to recognize that their liability to unemployment derives more from the marginal or insecure character of their employment and their (consequent) lack of resources than from any characteristics which can be claimed to be exclusively personal to them. Thus, Table 17.5 shows for both men and women that more of those who were unemployed in the year than the continuously employed had experienced poor working conditions and insecurity of work. They were less likely to have had any rights to fringe benefits or to belong to a trade union. They were also much less likely to possess assets of even low value and consumer durables of different kinds. Significantly fewer owned their own homes. Fewer had incomes around or above the mean for their household type.

The differences between the sometime unemployed and the continuously employed in conditions of work, working rights and security, as well as in level of assets and annual income, were bigger the larger the number of weeks of unemployment in the year. Because of their small numbers, I have not in the table differentiated between women, as I have between men, with ten or more weeks' and from only one to nine weeks' unemployment, but similar trends were discernible. Note the evidence for men, however. If short-term unemployment were a more or less random occurrence, one would not expect to find such marked differences between those experiencing a little unemployment and those remaining continuously in employment. While the fluctuations in business fortunes and the economy may indeed lead to the laying off or redundancy of some highly paid, skilled and previously secure workers, a substantial part of unemployment, even of short duration, must be 'structurally' determined in the sense that there exist many marginal jobs with poor rates of pay, working rights and working conditions which also carry a high risk of short-term unemployment.

Some indicators of the family situation and the personal characteristics of the recently or currently unemployed are also given in the table. Rather more of the unemployed are young, have children and have not lived for as much as a year at their present address. People who migrate may be less likely to obtain secure jobs. Certainly they are less likely to be acquainted with informal as well as formal networks of information about vacancies. Without residential or local connections, they are more likely only to be given temporary or low-paid work. This applies to people who have come from other regions of the country as well as from overseas.

Table 17.5. Percentages of unemployed and employed males and females with different characteristics.

Characteristic	Weeks unemployed in previous 12 months ^a				
	Males			Females	
	10 or more	1-9	none	1 or more	none
<i>Work:</i>					
At latest (last or present) place of employment:					
1. Poor or very poor working conditions ^b	(55)	46	22	(29)	15
2. Subject to one week's notice or less	(85)	75	40	(73)	48
3. No sick-pay entitlement	(74)	66	34	(66)	33
4. No occupational pension entitlement	(78)	77	40	(82)	60
5. Not a member of a trade union	(65)	68	46	(88)	76
<i>Household resources:</i>					
6. Assets under £200	(70)	48	24	(43)	24
7. Income last week less than 90 per cent of mean of household type	61	50	39	44	33
8. Fewer than 6 of list of 10 consumer durables	53	29	17	18	15
9. Not owner-occupier	74	65	51	68	54
<i>Family situation:</i>					
10. Children in household	41	63	47	44	36
11. Less than one year at present address	20	17	12	20	11
12. Poor environmental conditions ^c	(20)	28	21	(23)	22
<i>Personal characteristics:</i>					
13. Under 30 years of age	36	57	27	47	33
14. With disablement condition(s)	14	13	9	21	10
15. With moderate, appreciable or severe disablement ^d	12	11	6	8	8
16. Fewer than 11 years' education	86	84	72	60	69
17. Not born in UK	9	8	8	14	6
18. Health said to be poor or only fair	(25)	17	13	17	13
Highest number on which % based	58	76	1,612	59	1,015
Lowest number on which % based	36	56	1,246	33	576

NOTES: ^aRefers to those employed and self-employed for at least one week in previous twelve months, plus twelve men and two women not employed in the year saying they had been unemployed throughout the year.

^bAccording to scores on work condition index (see page 438). Estimates included for those working outdoors at more than one place of work.

^cSee index described, page 535. ^dSee pages 692 and 697.

As one might expect, the differences in ownership of assets and other household resources between women continuously in employment and women with at least one week's unemployment is less pronounced in the table than it is in the case of men. It was the man's, rather than the woman's, relationship to the labour market which determined the family's comparative affluence. But the data suggest that women who were susceptible to unemployment tended to be in families which were, for other reasons, relatively poor.

In the survey, age and disablement were less potent factors than they have seemed to be in other surveys.¹ Partly this may be because we were studying those with any unemployment in the year and not only the currently unemployed; certainly more of the latter consist of older or disabled persons and certainly older or disabled persons feature prominently among the long-term unemployed. But our evidence would also suggest that rather less emphasis may need to be attached to personal factors like age and disability in analyses of unemployment and more to underlying institutional factors. So far as disablement is concerned, we say this for two reasons. Among all men aged 40-54 with some, appreciable or severe disability, for example, 77 per cent were employed throughout the year, more than two thirds of them without any spell of unemployment. Among men aged 55-64, the figure is still 68 per cent, and the non-employed in this age group include men who have retired. And, to give the second reason, only 11 per cent of men unemployed during the year had some, appreciable or severe disability (that is, scoring 3 or more on the disability index).² While in no way underestimating the severity of unemployment among the disabled, we must beware of building disablement (and associated ill-health) into being a dominant causal factor of unemployment. Once unemployment or sub-employed roles are defined and numbered, disablement is a supplementary allocative factor - no more.

Scrutiny of official surveys in 1961, 1964 and 1973 would seem to bear this out.³ The categories adopted in the surveys to which the unemployed were allocated were not logically coherent, but in 1973, for example, slightly less than a third of the unemployed men who were studied were said to have poor prospects of getting work on account of their age and/or their physical or mental condition. The figures do not

¹ Hill, M. J., Harrison, R. M., Sargeant, A. V., and Talbot, V., *Men Out of Work: A Study of Unemployment in Three English Towns*, Cambridge University Press, 1973.

² The figure would be higher, however, if sickness or susceptibility to ill-health were included. Thus, 51 per cent of men aged 45-64 who were seeking work, compared with 21 per cent working, reported limiting long-standing illness' in the General Household Survey of 1971. See *General Household Survey*, Introductory Report, p. 278.

³ 'Characteristics of the Unemployed, 1961', *Ministry of Labour Gazette*, April and September 1962; 'Enquiry into the Characteristics of the Unemployed, October, 1964', *Ministry of Labour Gazette*, November 1965; 'Characteristics of the Unemployed: Sample Survey, June, 1973', *Department of Employment Gazette*, March 1974.

appear to have been checked against any more objective measure, but even at face value they represent a minority of the sample. Moreover, a substantial proportion of these men were found to be in work after a check some months later.

Perhaps the single best method of putting this into proportion is to compare either fluctuations historically in the unemployment rate or variations in the rate between regions or areas. In Britain there were, for example, 331,000 unemployed on the registers on average in 1966, but 521,000 in 1967. In 1955 there had been 213,000, but in 1972 844,000. It would be hard to believe that age or disability played much part in explaining these fluctuations, especially those occurring over a short time span.

Similarly, *in any year* (irrespective of the rate of unemployment) there are big differences between areas in unemployment rates. On 14 October 1974, for example, there were 0.9 per cent unemployed in High Wycombe, 1.4 per cent in Aberdeen, 1.5 per cent in Northampton, 1.6 per cent in Bury, 4.2 per cent in Hull, 6.3 per cent in Sunderland and 10.3 per cent in Londonderry.¹ Variations in the distribution of the economically active population by age or disability cannot account for more than a tiny part of such marked variations. While it may seem unnecessary to spell out these statistics, it remains true that in official and independent studies of the unemployed, disproportionately great attention is paid to the personal characteristics, including age and disability, of the unemployed.

A recent study illustrates very well the difficulties of relating any evidence that is conscientiously collected about the structure of unemployment to popular stereotypes about its causes. An attempt in three towns to examine 'voluntary unemployment' was obliged, by its methodology and terms of reference, to devote extensive attention to the characteristics and attitudes of the unemployed, but the authors were yet able to point out that in an area of low unemployment (Hammer-smith) even the disadvantaged (defined according to age, skill or health) were able to get jobs again fairly quickly. The 'personal' variables were of relatively small importance, either in explaining the rate or the length of unemployment. 'Vulnerable groups in that area tended to suffer very much shorter spells of unemployment than in the other two areas (Coventry and Newcastle).'² In their final chapter, the authors felt obliged to return to an examination of the economic and employment institutions which had not featured in their empirical work.

The chief argument of this chapter is that it is not just men's *general* relationship to the labour market, as conditioned by the development of a market economy, which has to be analysed if we are to explain the facts of unemployment, sub-employment and associated poverty. Social and not merely industrial forces have created a more finely differentiated *hierarchy* of roles - both in employment and in unemployment - together with a set of discriminating rules by which the

¹ *Department of Employment Gazette*, November 1974, pp. 1054-5.

² Hill, M. J., Harrison, R. M., Sargeant, A. V., and Talbot, V., *Men Out of Work: A Study of Unemployment in Three English Towns*, Cambridge University Press, 1973.

characteristics of those who will normally be recruited to these roles are defined. In studying poverty, too much attention has been paid to the characteristics of the unemployed instead of to the characteristics and determinants of the job (or role) structure.

It is through case-studies that we can understand the powerlessness of the individual to change the job structure or its biases of recruitment. They can be invoked as examples in support of the general argument.

Mr Bradshaw was a bachelor of 60 who had been unemployed for thirty-four of the previous fifty-two weeks when first interviewed in May 1968. He lived in a two-roomed flat in Nottingham and was on the Disabled Persons Register. Four years earlier, as a lorry driver for British Rail, he had had a coronary and was partially paralysed on his left side. He was then forced to take a succession of light temporary jobs and had been last in a routine clerical job in the Town Hall.

In the summer of 1968, he obtained work as a weighbridge clerk with a scrap merchant, and held this job for two years, earning £16.30 gross (£13.10 after deductions) at the final stage. He then became unemployed for most of the next two years (having one clerical job at the time of the 1971 Census for ten weeks). For many months he had tried hard to get work:

'I was offered 15p an hour as a watchman from 7 p.m. to 7 a.m., seven days a week. It was like going to prison for seven nights a week. I can't use the language to you I used to them. I used to tramp all around town looking for work - writing (they never bothered to answer, never got any replies, waste of postage). It takes all the guts out of you. You're on the scrap heap now if you're over 30. They don't want to know. They make excuses about the superannuation scheme. That last job I had I saw in the news. I rang up right away. They told me my age was against me but that Saturday morning there was a knock at the door, and there was the Manager. He said, "Can you start on Monday?" What a lift that was, I can tell you. I thought, "I'm made for life now." Then came this takeover and that was that. I must have applied for over 1,000 jobs.'

He gets (1972) £8.20 supplementary benefit (which includes an allowance for a diabetes diet). He had been obliged to return his TV set to a rental firm because he could not afford the rental of 50p per week.

'I scratch along. I just make it. I can't afford cinemas or anything like that. This enforced idleness has been a bit of a let-down, I can tell you. Somehow, I've got so that I accept **it**, but it's not living. It's no joke to know you're no use. It doesn't seem right that all your time is spent just keeping yourself alive ... Somebody said the poor are always with us. Was it Jesus Christ? It might have been Ted Heath. I don't know. Big money rules the world, not Christianity or charity. It always has and it always will.'

Income Support during Unemployment

Income protection during unemployment is poorer than during other types of adversity, like sickness, injury, disablement or widowhood. Nearly a third of those

in the poverty sample who were unemployed at the time of interview or in the previous twelve months were in income units in poverty or on the margins of poverty (see Table 17.1 above). About a quarter of the currently unemployed were receiving supplementary benefit, but another third were not receiving such benefit and were assessed as eligible. However, some of them (about a third) were members of households consisting of two or more income units or had a spouse who was earning.

Why did over half have incomes so low that they were found to be, or would have been, entitled to supplementary benefit? First, fewer than half those unemployed on the particular day of interview were drawing unemployment insurance benefit. Official statistics in the 1970s bear this out. In November 1972, for example, 352,000 of the 790,000 persons registered as unemployed in Britain were drawing unemployment benefit (including 85,000 also drawing supplementary benefit), but another 273,000 were dependent upon supplementary allowances alone.¹ Secondly, because of the rules restricting eligibility for insurance benefit, and the rules, particularly the four-week rule,² restricting eligibility for supplementary allowances, some of the unemployed were entitled, at least for a time, neither to insurance benefit nor supplementary allowances. On 6 November 1972, the Department of Health and Social Security estimated that 165,000 persons, or 21 per cent (including 123,000 men), were receiving neither benefit nor supplementary allowance.³ Finally, extra types of allowance were and are far less likely to be paid to the unemployed, even the long-term unemployed, than other types of beneficiary. Thus, after six months' sickness but not unemployment, higher rates of dependence allowance are paid under national insurance. After two years' sickness but not unemployment, an additional 'long-term' supplementary allowance is paid. Fewer of the unemployed than of other groups receiving supplementary benefit are granted exceptional circumstances additions and exceptional needs grants. For example, although in 1972 many were *already* better off by virtue of long-term additions, 19 per cent of retirement pensioners, 20 per cent of widows and 33 per cent of the sick and the disabled receiving both national insurance and supplementary benefit were also receiving exceptional circumstances additions, compared with only 6 per cent of the unemployed.⁴ Some of the unemployed actually have their allowances reduced below the basic rate. Thus, in 1969, 31,000 of the 228,000 in receipt of supplementary benefit were subjected to the 'wage-stop' and their allowances were reduced.⁵ Again, although in theory those with entitlement to unemployment insurance benefit can also receive earnings-related supplements, only 36 per cent (or

¹ DHSS, *Social Security Statistics, 1972*, HMSO, London, p.21.

² For a reasoned and comprehensive criticism of this rule, see Meacher, M., *Scrounging on the Welfare: The Scandal of the Four Week Rule*, Arrow, London, 1974.

³ *Social Security Statistics, 1972*, p. 21.

⁴ *ibid.*, p. 143.

⁵ See Elks, L., *The Wage Stop*, Child Poverty Action Group, London, 1974.

16 per cent of all the unemployed) were receiving such supplements in November 1972. This pattern has persisted through the 1970s.

The total effect has been to build a form of discrimination into the administration of social security.¹ In 1972, the incomes, including supplementary benefit, of a range of differently constituted families of the unemployed were lower - by about 10 per cent - than those of corresponding families of the sick and disabled.² The incomes of those unemployed who were not receiving supplementary benefit are not included in this comparison. There were, for example, 24,000 families with two children receiving supplementary benefit who had an average total weekly income of only £17.73. This compared with an average of £48.13 for all families with two children in Britain in 1972.³ The former was only 37 per cent of the latter. What is even more striking is that *the figure is only 65 per cent of the lowest decile*.⁴ The principle of less eligibility has survived remarkably intact.

Although the estimates from the poverty survey of the numbers of unemployed eligible for supplementary benefits are subject to substantial sampling error, they suggest that at least as many again as are receiving benefits may be eligible for them.⁵ This statement allows for the fact, as shown in Table 17.6, that the numbers receiving such benefits were proportionately fewer than in the general population: we have discounted this difference in making the statement. The evidence is discussed further in Chapter 24.

Existing policy is infused with relatively punitive values which the evidence shows to be inappropriate. Any analysis of trends in registered unemployment relative to the number and regional pattern of vacancies; of the avowed interest of many sections of industry in 'regulating wage demands' by creating and perpetuating a 'pool' of the unemployed; of society's implicit interest in scapegoating so as to preserve crude forms of the work ethic; of the lack of hard evidence in the available literature of any substantial degree of 'scrounging'; of the history of work deprivation and vulnerable personal characteristics of the unemployed; and, finally, of the telling evidence of the reluctance of many of the unemployed even to apply

¹ Early in the 1970s measures restricting the payment of unemployment benefit had been introduced. In 1971, for example, benefit was no longer paid retrospectively for the first three days' interruption of employment. The measure passed into legislation in that year followed a period of cutting down the numbers receiving discretionary extras through the supplementary benefits system. See Townsend, P., *The Scope and Limitations of Means-Tested Social Services in Britain, Proceedings of the Manchester Statistical Society*, 29 March 1972, p. 27.

² *Social Security Statistics, 1972*, pp. 146-7.

³ *Family Expenditure Survey, Report for 1972*, HMSO, London, 1973, p. 84.

⁴ *ibid.*, p. 88.

⁵ A government survey in 1966 suggested that some 50,000 men with two or more children were unemployed, and that as many as 41,000 received, or were eligible for, supplementary allowances. Of these, 16,000 or 39 per cent were not receiving such allowances. About a third of them had been unemployed three months or more. See *The Circumstances of Families*, pp. 13-14.

Table 17.6. *Estimated number of unemployed receiving and eligible for supplementary benefit.*

<i>Whether income unit receiving or eligible for supplementary benefit</i>	<i>DHSS, May 1969 (000s)</i>	<i>Poverty survey (000s)</i>
Receiving, also with national insurance benefit	62	} 150
not with national insurance benefit	129	
Not receiving, income too high to be eligible or spouse earning	} 381	210
Not receiving, eligible		210
Total	572	570

SOURCE: DHSS, *Social Security Statistics, 1972*, HMSO, London, 1973, p. 19.

for the grudging or miserly benefits offered by the state, demonstrates the need for a much more consistent, and generous, system of income support for the unemployed. In some respects, the existing system could be said to have connived at, if not actually determined, the rise in the number of unemployed in the late 1960s.

Employment Policy

So far as the unemployed are concerned, the social security system might be said to have grown up partly to temper the hardships experienced by many people, especially among manual employees, in a fluctuating market economy, and partly to regulate and grade the queues waiting to re-enter employment. The Department of Employment does not seek to control the total number and distribution of jobs according to the edicts of a full employment policy. That would entail a wide-ranging and very ambitious strategy. Its objectives are more narrowly drawn in conformity with both economic theory about 'frictional' unemployment and social stereotypes about a core of 'hard to employ'.

The job-recovery system is even less effective for the unemployed than the system of income protection. We were struck by its haphazardness. We asked all those who were unemployed, both at the time of interview and during the previous weeks, and who were looking for work, what steps they had taken. A third were registered with the exchanges, but, as shown above, were not often enthusiastic about the help they were given. All but a handful were looking in the local papers for a job. Others told of intensive search for a job, looking regularly at advertisements in shop windows or posted outside factories and offices; writing unsolicited letters as well as replies to advertisements; calling in at likely shops or offices and leaving name and address; inquiring in person at factories and sites; and, in particular, making and following up

inquiries through relatives and friends.

There was usually a difference between the short-term and long-term unemployed, especially when this corresponded with younger and older potential workers. The former were more active, more particular about what they would accept, and more optimistic about success. In refusing initial offers of a job, a few were risking a longer spell out of work because they wanted a change rather than return to their last place of employment. Some were so determined to seek re-engagement at their last place of employment that they were, at first, unwilling to contemplate anything else. Older men were more devastated by redundancy and, especially if they had been unemployed for several weeks or months, more despairing about finding a job again. Yet, despite discouragements, some of them persisted against all the odds. 'I spent two or three hours every day going around the building sites. Today I walked all the way to X [a town five miles away] and back in answer to an advert, but they weren't starting anyone until the New Year. Yesterday I went to the Corporation. They took on two young Pakistanis, but I was turned away.'

There is evidently a remorseless adjustment with time in job-search behaviour. Men gradually become less specific about their wants, become ready to accept jobs with lower pay and status, and experience depression but also bitterness against others. Sometimes when they say no and turn their backs I feel like going berserk.' This adjustment corresponds with a kind of structural stratification of the unemployed, differing in characteristics, behaviour and attitudes. The strata are defined not so much in terms of the length of current unemployment as of the total recent experience, both current and recurrent, of unemployment, together with the threat of unemployment or lay-off in jobs marginal to the labour market.¹

Bankruptcies, mergers and fluctuations in business operations primarily determine lay-offs. Selective dismissal on the basis of lack of individual skill or effort seem to

¹ In a detailed review of the causes of long-term unemployment, Adrian Sinfield shows that, while studies of redundancy have shown that most men laid off find alternative work quickly, this does not apply to all and is not inconsistent with greater risk of unemployment subsequently. 'A man needs luck or a period of labour shortage to establish himself else he becomes fixed on a downward spiral with less and less security in each job. The next stage may be the day or casual labour office and the stage after "skid row".' The workings of the labour market suggest a hypothesis of gradual downward displacement. As the number of unemployed in any given area decreases, the greater vulnerability of the disabled, the aged, the unskilled and poorly educated and the victims of discrimination becomes evident. There is talk of the residual groups that are left unemployed as those better qualified in skill, health, etc. return to jobs first. In this gradual process of downward displacement those least able to compete may find themselves unable to get back to jobs they previously held.' This illustrates very well the relationship between process and structure - in this case the stratification of both employed and unemployed. See Sinfield, A., *The Long-Term Unemployed*, Organization for Economic Cooperation and Development, Paris, 1968, pp. 41-50.

account for a small proportion of interruptions of employment.¹ Once unemployed, a man stands more chance, on the 'last in, first out' principle, of being laid off in his next job than the average employed person. And once he has experienced at least two periods of lay-off within a short period, he may acquire the reputation of someone who cannot keep, or doesn't want, a job. He may have to swallow his pride and accept an insecure, ill-paid job even to re-establish a claim to continuous employment.

The administration of unemployment benefit on behalf of the Department of Health and Social Security seems to serve the interests of employers better than of the unemployed. The threat of withdrawal of benefit is used both implicitly and explicitly to coax, if not to force, men to apply for jobs which they may not want and whose conditions and rates of pay may be bad, on the pretext that voluntary unemployment is not insurable and this is what must be done to protect society from the workshy. At least in elaborating the functions of the Department of Employment, this possibility must not be neglected, and detailed analysis is necessary of the process of job referral.² This would demand close analysis of the institutional structure of local and national labour markets.

The very fact that so many employees are subject to short notice (which is highly correlated with occupational class) suggests how small is the control that individuals can exert over unemployment.

Any attempt to establish the relative importance of voluntary and involuntary unemployment bears this out. In a national survey in 1971, for example, Over half the men were unemployed because they had been dismissed from their previous job and, if to these are added those who left their last job because of ill-health or because the job was temporary, 88.5 per cent of the unemployed men had lost their previous job involuntarily.³

The fact that a substantial proportion of real unemployment is unregistered unemployment, especially among women, suggests, too, that the receptivity of employers and the public employment exchanges to expressed public need, and demand, for work is not all that it might be. This also tilts the balance of responsibility from individual to institutions.

Finally, the scale and character of retraining programmes demonstrates so little faith in the importance of the level of individual skill that the programmes must be seen, despite avowed aims, for what they are : as half-hearted attempts to divert

¹ Sinfield, *The Long-Term Unemployed*, pp. 38-42. Sinfield quotes, for example, an official US survey finding that 'three of every four of the long-term unemployed had been laid off for economic as opposed to non-economic reasons'.

² For evidence of pressure from exchange staff, see Daniel, W. W., *A National Survey of the Unemployed*, Political and Economic Planning, Broadsheet No. 546, October 1974, pp. 94-7.

³ *The General Household Survey*, Introductory Report, p. 211. Although home and family commitments were common reasons given by women for leaving work, as many as 52 per cent also left involuntarily.

attention from institutional responsibility for unemployment.

Thus, 40 per cent of those in employment during the poverty survey said they had changed jobs in the last five years, representing about 11 million employees. Of these, only 16 per cent said they had received any form of retraining, most of them in-service training. Our estimates for the population came to a total of 1,710,000, made up as follows:

In-service training	1,300,000
Industrial rehabilitation units, etc.	150,000
Other	260,000

We then checked with all men aged 30-64 whether they had been on a trade, industrial rehabilitation or Government training course of any kind in the last five years⁷. This eliminated in-service training after appointment to a job, and referred only to subsequent training in a job or training during interruption of employment. We derived the following estimates, which gave a total of 580,000:

Government training courses	150,000
Armed services training	70,000
Other employer training courses	300,000
Other courses	60,000

Only a fifth of those taking a government training course and only a quarter of those taking other training courses said that it helped them to get a better job. Only 7 per cent of all men aged 30-64 who had experienced at least one spell of eight or more weeks' unemployment said they had been on a government training course.

A more comprehensive policy of income protection would, in addition to reducing deprivation, contribute to people's prospects of re-establishing themselves in employment, and thus help to prevent long-term unemployment. Similarly, a government employment policy which abandoned half-hearted retraining and instead created and controlled jobs to which the unemployed were deliberately recruited, would also reduce long-term unemployment.

At bottom, a false economic theory of unemployment has been adopted in policy, both employment policy and social-security policy. Employment policy *accommodates* rather than reduces or prevents unemployment; correspondingly, social security policies help the short-term skilled but actually deprive and punish the long-term unskilled.

In much economic theory, unemployment in the post-war years has been characterized as of two types: frictional' or structural' unemployment, and 'residual' or hard-core' unemployment. This conception has the effect of underestimating the seriousness of unemployment in a market economy, by explaining away part of the phenomenon as extremely short-term and inevitable, and the other part as wholly attributable to personal shortcomings. Transitory, short-term, frictional unemployment is considered as relatively harmless, in the sense that it involves no

major obstacle to the speedy re-employment of the workers concerned ... For the vast majority of workers the only risk of involuntary unemployment remaining under modern conditions is that connected with structural adjustments in the economy.' The second category consists of people who 'seem intrinsically difficult to employ on account of some deficiency which cannot be readily eradicated'.¹ Another writer states, 'The post-war experience of many nations of northwestern Europe, whose full or overfull employment prevailed in the first half of the 1960s, suggests that there is considerable residual unemployment beyond frictional joblessness.'²

This conception seems to have exerted considerable influence upon the policies of the Department of Employment, which has decided, in effect, to devote less time proportionately to the unemployed as such and more time to men in work wanting to move from one employer to another.³ In recent years, the Supplementary Benefits Commission has developed its own team of Unemployment Review Officers. Anxiety has been expressed at this shift of priorities and the implication that the far less experienced (and lower-status) commission will increasingly take on responsibilities for the long-term unemployed.

The Employment Exchanges were set up to assist the unemployed ... There is a fundamental value issue at stake here, which should be widely debated ... The British employment service developed out of a recognition that unemployment was an economic problem, a problem that could not be left to the Poor Law, with its conception of worklessness as a consequence of idleness and sloth. But today there is a danger that a distinction will be made between those whose unemployment is just a temporary problem of movement from one job to another, and those whose unemployment results from a seriously disadvantaged position in the labour market, in such a way that the latter becomes the prime concern of the organization which has taken over the legacy of the Poor Law, while the former get the benefit of all the modern developments in methods of counselling, placing and training for employment.⁴

Summary

This chapter has shown an association between unemployment and poverty. In itself, this is neither a new nor an unexpected finding. But we have shown that the association exists not only for the unemployed at the time of their unemployment but also for the much larger number of those who have experienced spells of unemployment (however short) in the recent past. Either they have failed to secure jobs

¹ Hauser, M. M., and Burrows, P., *The Economics of Unemployment Insurance*, University of York Studies in Economics, No. 3, Allen & Unwin, London, 1969, pp. 10 and 27.

² Reuben, B. G., *The Hard to Employ: European Programs*, Columbia University Press, New York and London, 1970, p. 1.

³ 'People and Jobs', *Department of Employment Gazette*, December 1971.

⁴ Hill *et al.*, *Men Out of Work*, pp. 147-9.

with earnings high enough to raise their families comfortably above the poverty line, or they are victims of recurrent sickness and/or unemployment and are never in work long enough to establish standards of living which are, on average, above that line.

It is with this statement that the survey can be said to contribute something fresh to the study of unemployment. There are not two broad states of employment and unemployment, but a hierarchy of states from whole-time secure employment to continuous unemployment. Corresponding especially with occupational class, there are ranks of both employed and unemployed who are differentiated, on the one hand, by security of employment and various rights to welfare, or lack of such rights, associated with the status of their employment, and on the other, by eligibility for different forms of social security as well as by length or frequency of unemployment. There are, to distinguish only five ranks: those with a high degree of secure tenure of employment, with no recent experience of unemployment; those subject to short notice but no recent experience of unemployment; the currently sub-employed and unemployed, with recent experience only of single or occasional short spells of unemployment; the sub-employed and unemployed with recurrent or recent lengthy spells of unemployment; and the long-term unemployed.

We also probed the meaning of 'unemployed', and showed that official measures underrate the real extent. Thus, the 1971 Census showed that there were 400,000 more unemployed than were at the time on the registers. The number would, of course, be much higher if the under-utilized productive capacity of non-employed women with or without dependants, the disabled, the non-incapacitated 'retired' elderly and the under-employed were to be included. The exclusion of these groups from the potential employed population is, of course, socially defined.

For men, the likelihood of unemployment rises sharply with falling occupational status. While the unskilled accounted for only 9 per cent of the male labour force experiencing no unemployment in the previous twelve months, they were 17 per cent of those experiencing one to nine weeks' unemployment in the year and 39 per cent of those with ten or more weeks' unemployment. By contrast, professional and managerial employees, accounting for a slightly larger proportion of the labour force, had experienced virtually no unemployment at all in the year.

A distinction has to be made between the institutional factors which define the roles, including 'unemployment', in the occupational hierarchy, and the socio-structural factors which define who is to occupy them. A household survey cannot contribute more than a limited understanding of the former: other methods of research, which would include, for example, a survey of firms and of their inter-relationship in the local labour market, would need to be undertaken.¹ But we have

¹ At the University of Essex we have sought to pursue in greater depth the limited findings about the sub-employed from the national survey. See Norris, G., 'Employment Participation and Household Incomes in Two Local Authorities in England', and 'Subemployment Amongst Men', evidence submitted to the Royal Commission on Income and Wealth, 1977.

shown that the jobs last held by the unemployed were in very poor or poor working conditions, with much greater likelihood of being subject to only one week's notice, far smaller chance of having any rights to fringe benefits and smaller chance of being unionized. The differences between the sometime unemployed and the continuously employed in conditions of work, working rights and security, and also in annual income, level of assets and number of durables in the home, were greater the greater the number of weeks of unemployment in the year. The marginality of jobs at the lower end of the hierarchy, and the tenuousness of income protection and job recovery services during unemployment, are defined by social institutions and values. The incidence and severity of unemployment have institutional causes external to the individual.

Given a role structure with a permanent, or at least long-term, place for the unemployed, there tend to be conventions about those who are selected for unemployment. They are predominantly those from marginal employment - namely, those lacking formally defined skills and educational qualifications; among the short-term unemployed therefore proportionately more young and among the long-term unemployed proportionately more older and disabled workers; and marginally more migrants from overseas. The state's social security and employment-exchange systems act as mechanisms to grade the unemployed according to desert for jobs, retraining or income, and to adjust them to their status and to a willingness to take jobs of lower pay and status than those formerly occupied. This facilitates, among other things, the conferment of seniority rights in large sections of industry. Despite evidence of the lack of jobs and opportunities, many of the public hold relatively punitive attitudes towards the unemployed; discretionary additions to benefit are rarely awarded; there are institutional checks even on types of benefit which are ordinarily available to other groups in adversity; and a very high proportion of the unemployed either do not receive supplementary benefits to which they appear to be entitled, or they receive less than the basic rates. Certainly nothing emerges from our data to justify the view that many people remain unemployed because it is more lucrative than working.

Finally, employment and social security policies tend to reinforce the misconception of economic theory that unemployment is of two types: 'frictional' and 'residual'. There are signs that employment exchanges, which were set up in 1909 primarily to help the unemployed, are becoming more concerned with those wishing to change jobs. The Department of Employment appears to be taking a resigned attitude to longer-term unemployment, which appears to be left increasingly as an administrative problem to the legacy of the Poor Law - the Supplementary Benefits Commission.

Since our national survey was carried out, the rate of unemployment has increased markedly. Studies in the mid 1970s have called attention to its harsh consequences and the need for new measures to expand employment as well as to introduce

improvements in social security benefits.¹ Our findings that there is a hierarchy of states, differentiated sharply by income, from whole-time secure employment to continuous unemployment, and a tendency substantially to understate 'real' unemployment, imply some growth of poverty and perhaps a greater 'spread' of inequality during the 1970s. This is discussed further in Chapter 26.

¹ See, for example, Sinfield, A., 'The Social Costs of Unemployment', in Jones, K., and Baldwin, S., *The Yearbook of Social Policy in Britain, 1976*, Routledge & Kegan Paul, London, 1978; Field, F. (ed.), *The Conscript Army: A Study of Britain's Unemployed*, Routledge & Kegan Paul, London, 1977; and Barratt Brown, M., *et al.*, *Full Employment*, Spokesman Books, London, 1978.