

# Working Age Poverty

A factsheet to support Local Listening Campaigns

## In-Work Poverty

The current minimum wage is

- **£5.80** per hour if you are aged 22 or over (unless you are doing accredited training in the first six months of employment, in which case it is **£4.83**)
- **£4.83** if you are aged between 18 and 21
- **£3.57** if you are aged 16 or 17.<sup>3</sup>

The **Living Wage Campaign** is calling for **£7.14** per hour.<sup>4</sup>

- In 2009, 22% of women and 11% of men were paid less than £7 per hour.<sup>5</sup>
- Half of adults in poverty are in a family where at least one person is working.<sup>7</sup>

- 1.4 Million people are doing temporary work – three quarters would prefer a permanent job.<sup>8</sup>
- The TUC estimates that there are 2 million vulnerable workers in the UK.<sup>9</sup>
- Informal or cash-in-hand work is predicted to be 12.3% of the UK's GDP.<sup>10</sup>
- Up to half of houses entitled to housing benefit do not claim it.<sup>11</sup>
- Only one in nine workers earning less than £7 an hour belong to a trade union compared with around two-fifths of those earning £10 to £20 an hour.<sup>12</sup>
- In 2009 about one in ten people would have liked to work more hours but couldn't (obviously not all of these were low-paid)<sup>6</sup>

Community Links in partnership with Church Action on Poverty are running a nine month programme raising awareness of and tackling working age poverty in the UK.

This project is part of the European Year Against Poverty and is funded by the DWP.

## Defining Poverty

**The official definition of poverty**



**In the UK, 13.5 Million people are living in poverty – over one in five people<sup>2</sup>**

In 2007/08 a household was officially living in poverty if their income, after taking off housing costs and council tax,<sup>1</sup> was:

- £115 per week for single adult with no dependent children
- £195 per week for a single adult with two dependent children under 14
- £199 per week for a couple with no dependent children
- £279 per week for a couple with two dependent children under 14.



# Getting-Into-Work Poverty



“2.5 million people in the UK are unemployed (the highest since 1994)”

- 2.5 Million people are unemployed (the highest since 1994), 28.8M are working.<sup>13</sup> (Obviously not all in poverty)
- 1.54 Million people are receiving out of work benefits.<sup>14</sup>
- Out of seven million people who do not work and are also not receiving JSA, about 2 million say they want jobs.<sup>15</sup>
- The new coalition government will remove benefits if people do not accept ‘reasonable’ offers of work. They will also replace the New Deal with the Work Programme.
- Anyone taking up employment and coming off JSA is no longer entitled to free prescriptions and free school meals
- Housing Benefit is being reviewed to extend the run-on to three months for people who have been on benefits for a longer period
- The earnings disregard – the amount you’re allowed to keep if you get a part-time job while on JSA, before it gets deducted from your benefits, has stayed at £5 ever since 1988
- The number of people unemployed for over twelve months is rising, while the number who find a job within six months is falling. Therefore people further from the labour market are not moving into employment at the same rate as those closer to the labour market

## Myths And Policies

As part of the European Year For Combatting Poverty and Social Exclusion, **Community Links** and **Church Action on Poverty** are working together to uncover attitudes to poverty, work and unemployment amongst people of working age.

We’ve always believed that people who experience a problem understand it best, so we’re starting by providing background information and asking people experiencing poverty what they feel needs to change. We will be running local listening campaigns to will uncover, raise awareness of, and begin to tackle some of these issues. Once we’ve agreed on the perceptions that need challenging and the policies that need changing, we’ll set about doing just that.

[www.community-links.org/our-national-work/eu2010](http://www.community-links.org/our-national-work/eu2010)

# Out-Of-Work Poverty

- The main benefit for carers - Carer's Allowance - is just £53 a week – the lowest of its kind.<sup>17</sup>
- Three-quarters of carers struggle to pay utility bills such as electricity, gas or telephone.<sup>18</sup>
- A disabled person is twice as likely to be living in poverty as a non-disabled person.<sup>19</sup>
- Asylum seekers are not allowed to work while their claim is processed, meaning they have to survive on benefits 30% lower than British citizens – only £5 a day for single people.<sup>20</sup>



“Three-quarters of carers struggle to pay utility bills such as electricity, gas or telephone”

# Jobseekers Allowance

The current rate for Jobseekers Allowance<sup>16</sup> is

Single people, aged under 25	£51.85
Single people, aged 25 or over	£65.45
Couples and civil partnerships	£102.75
Lone parent (aged under 18)	£51.85
Lone parent (aged 18 or over)	£65.45





## Community Links

Community Links is an innovative east London charity, running a wide range of community services and projects for all ages. Based in Newham, we have over 30 years of experience working with local people to support children, young people, adults and families.

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## Church Action on Poverty

Church Action on Poverty is a national ecumenical Christian social justice charity, committed to tackling poverty in the UK. We work in partnership with churches and with people in poverty themselves to find solutions to poverty, locally, nationally and globally.

Third floor Dale House  
35 Dale Street  
Manchester  
M1 2HF  
t: 0161 236 9321  
w: [www.church-poverty.org.uk](http://www.church-poverty.org.uk)

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