

REVIEW: POOR AND PAYING FOR IT

Donald Dewar

Fyfe, Gillian (ed.), **Poor and Paying for It**, Glasgow: Scottish Consumer Council/HMSO, £13.95, pb.

Challenged by Tony Blair, the Prime Minister has conceded that it is the duty of Government to reduce inequality. The answer, he explained, was to ensure that 'chances and opportunities are greater, so inequality falls; that is the right way and that is what the Government are doing.'

If Mr Major really believes he has cracked the problem, he should have a long hard look at **Poor and Paying for It**. Every chapter sets the alarm bells ringing. The case for the prosecution is all the more damning because it comes from the Government's own watchdog, the Scottish Consumer Council. It is an effort to put a serious problem into a Scottish perspective and reinforces recent work sponsored for the UK as a whole by the King's Fund and the Rowntree Foundation.

I wish I could share the faith shown by Gillian Fyfe (the editor of this comprehensive overview) of the social cost of low incomes when she says that, 'the findings of the book will help inform the future policy of both the Scottish Consumer Council and others at all levels from national Government down'. I have no doubt that the SCC will want to learn the lessons, but will Ministers? Mr Peter Lilley, in the House of Commons during a recent debate on inequality, talked of the 'politics of envy' and accused the Opposition of brandishing statistics and glorying in Gini coefficients.

The Government's tactics are to snipe, but not to mount a frontal attack on the evidence which defines the scale of the problem. It would be hard to do

Donald Dewar is Labour MP for Garscadden and is Shadow spokesperson on Social Security.

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so given the weight of research. The most worrying factor is not the level of poverty, but the rate at which inequality is growing - faster, the Rowntree Report found, than in almost any other industrialised nation. It is, of course, always possible to enter caveats. Perhaps the most plausible objection is that the work being done excludes the social wage which disproportionately advantages the poor. I am not too impressed by the argument that the high cost of policing battered inner-city areas or NHS charges for those who suffer from chronic ill-health should be treated as a form of personal income.

Poor and Paying for It outlines the Scottish experience, founding its case on careful argument. The problem is traced through almost every area of life: food and nutrition, fuel, education, transport, access to goods and services, credit, debt and legal services, as well as health, social security and housing. Each is impressively researched - the chapter on health is backed by no fewer than 85 references.

There is always a danger in a work of this kind that the reality can be overwhelmed by the detail, but this does not happen here. As the young mother from Wester Hailes in Edinburgh says in chapter 5, 'if you've no money, you cannae buy things and do things'. She might have added that poverty causes you to die sooner, learn less, travel less, put up with bad housing, get into debt and have restricted access to the law, but her summary goes concisely to the heart of the matter.

The sub-title of the book is 'The Price of Living on a Low Income'. That price is particularly heavy in Scotland. We have a higher proportion of people living on a low income than the UK as a whole. Some 41% of Scottish households took home less than £175 per week in 1991 compared to 32% in the United Kingdom. A higher proportion of Scots rely on Social Security benefits - 17% of household income north of the border comes from this source compared with 13% in the country as a whole.

Practically every area of life is affected in some way. Robina Goodlad and Nicholas Williams remind us that the 1991/92 Scottish House Condition Survey found 95,000 dwellings, some 5% of the total housing stock, was Below Tolerable Standard. It is a definition that conveniently excludes many houses plagued by rising damp and condensation. Home ownership in Scotland has increased, but the 'over-dependence on private sources [of housing finance] will lead to high rents and the exclusion of those households just above benefit thresholds'. Government proposals to limit Housing Benefit to ceilings linked to local rent levels, together with drastic

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reductions in the help available for mortgage interest payments from the Social Fund, will do nothing to diminish these problems.

Lisa Curtice concludes that, 'the health status of people in Scotland gives cause for serious concern'. It sounds almost academic, but the reality is harsh and brutal. Scotland has the highest rate of death from heart disease and cancer amongst all developed countries. Scottish women have the highest death rates from lung cancer. There are areas in Scotland where more people die prematurely than in any area of England or Wales. If you live in Glasgow, you are likely to die three and a half years earlier than if you live in Edinburgh.

Broken down, the differentials can be even more devastating. Men living in the leafy suburb of Bearsden will, on average, live 10 years longer than a constituent of mine literally half a mile down the road in the Drumchapel housing scheme. That gap is expected to widen as we approach the millennium. That is cause enough for concern.

These are not mere statistical niceties or a bizarre reflection of the Scottish climate. The chapter on health is quite clear that 'the greater part of the health differences...is explained by the socioeconomic conditions in which people live; by disadvantage, not geography'. Work by Richard Wilkinson has shown that 'differences in life expectancy between countries are associated with income distribution rather than absolute levels of income. Countries which have the narrowest social inequalities have the least health inequality'. Even if you accept the doubtful attempts to argue that there has been a rise in the real living standards of the poorest, this does not answer the charge that it is the distribution of income across the range which most affects life chances. There are families and pensioners who are doing well. Almost by definition that is true in a divided community. It should not provide an excuse for ignoring the 1.6 million pensioners struggling on Income Support.

What is clear is that a growing Social Security budget is not in itself an answer. Under this Government spending has risen to around £90 billion and the only object has been to fund recession and the social problems it brings. Angus Erskine writes that 'social security serves ill the interests of its consumers'. The Government campaign to reduce spending on Social Security encourages the public to see life on benefit as one of leisure enjoyed by the shiftless and the fraudster and paid for by the State. The reality, of course, is very different. In 1992 an unemployed couple on their own

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received £69.70 a week or 22% of the average wage. It is difficult to argue that the meek have inherited the earth.

The tragedy is that current policies seem to be moving in the wrong direction. The Incapacity Benefit system will disqualify up to half a million from benefit over the next three years. The 'savings' of £3 billion are bound to result in uncertainty and much pain. Many will be forced on to means-tested benefits, so reinforcing the dependency trap. The real casualties will be those in their 50s with no prospect of work and facing a decade on basic Income Support. It is a miserable future.

Most people want to work. They want to support themselves and those around them. Nevertheless, hundreds of thousands have to depend on Social Security with little real hope of escape.

The search is on for ways of providing incentives and opportunity. The 21 hour rule is inflexible and has become a barrier to education and training. Why should a spouse, perhaps working part-time, have to give up her job to preserve her partner's benefit entitlement? There is no good scapegoating lone parents to milk applause from the faithful at a Tory Party Conference if the lack of affordable childcare makes work uneconomic. There may be no single solution, but individual problems can be and ought to be tackled.

The evidence gathered in this study outlines the scale of the problem here in Scotland. It is not always easy reading and the detail can sometimes be numbing. The message, however, comes through loud and clear. If present trends run unchecked, growing inequality is likely to threaten social cohesion and destroy choice and opportunity for whole communities. The one undoubted casualty of recent experience is the trickle down theory. Mrs Thatcher's Britain has been one big controlled experiment providing the clearest possible evidence that it does not work. To make the rich richer is no way to tackle poverty. Those who still obstinately believe that it is should read this book.

May 1995