

The public health case for

# LIVEABLE INCOMES FOR ALL



## Everyone should have the right to a liveable income and secure work, as well as the right to health.

Economy and economic policies such as welfare, work, housing and taxation have a profound impact on people's health and quality of life. Our current economic system, rather than supporting everybody to live healthy and dignified lives, generates income and wealth inequalities that are harmful to all our health.

The far ranging effects of the COVID-19 pandemic and the response to it have drawn much needed attention to the systemic nature of the social determinants of health. Lower socioeconomic status, low-income jobs, 'frontline occupations' and inadequate means to self-isolate (among many other factors) led to worse health outcomes and in many cases higher mortality rates.<sup>1</sup> These inequities in health are however far from new. Even before the COVID-19 pandemic, the overall health in England was declining, especially for those living in deprived areas. A decade of austerity policies and vast cuts to public finances have contributed to worsening health for people and communities that are marginalised by our current economic systems.<sup>2</sup>

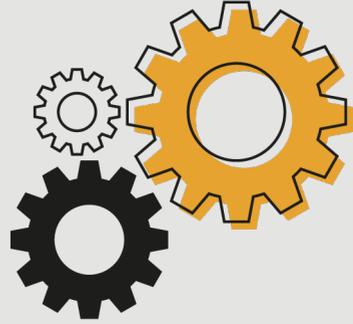
**Our economy is making us sick:** the economic and political systems we live and work in generate wealth inequalities that are harmful to all our health.

Health and wellbeing throughout our lives are not just about individual bodies, diseases, and conditions. Rather, they are shaped by the social, economic and physical conditions we are born into, and those in which we grow, live, work and age. Together, these factors create unequal exposure to health risks, and result in widespread health inequities, both in our local communities and globally. We know these social determinants of health are underpinned by political and economic systems that dictate how power, wealth and resources are distributed. As health workers, our work is as much about caring for those in immediate need as it is about advocating for and building new societal systems in which all are able to live well and thrive.

Across three booklets, we are going to explore the public health case for livable incomes, secure housing and tax justice, and how you can get involved to organise for economic justice.

# ▶▶ How is our current economy unliveable?

**Liveable incomes are a public health issue.** People on low incomes are more likely to become ill and live a shorter life.



Our economic system is designed to concentrate wealth into the hands of the richest in our society. It is characterised by gross inequality: millions struggle to survive on insecure, poor-quality work in a context where social welfare measures have been dismantled. The lowest paid and most precarious work is disproportionately done by the most marginalised and minoritised<sup>3</sup> across society – the same people and communities who are at the sharp end of health inequities that are unjust and avoidable.

We set out three connected ways in which people's income and health are affected by the way our economy is structured, who it is designed by and for, and the lack of welfare support.

## Outsourcing, gig economy and precarious work

Reliable, secure and safe work is hard to come by for many. Unreliable work with few protections is dangerous, especially during an economic recession and public

health emergency. Current practices of outsourcing mean essential workers like cleaners and delivery drivers are poorly paid, overworked and subject to poor work conditions, all of which negatively impact their health.

The gig economy – an economy reliant on temporary, flexible and independent jobs – presents a challenge to workers’ right to health through lack of sick pay and steady wages, and erasure of union representation in workplace disputes. Negative health effects can come about in the gig economy due to occupational exposure (for example traffic accidents or musculoskeletal injury) as well as harmful psychosocial effects (such as social isolation and work-related stress).<sup>4</sup>

### Racialised, gendered and ableist economy – differences in pay and unpaid work



Women face the combined impact of lower-paid employment and higher participation in unpaid work, and the UK recorded the fourth highest gender pay gap in the EU.<sup>5</sup> In full-time health professions, men’s average annual incomes are over £10,000 more than women’s.<sup>6</sup> Women do 60% more unpaid work than men – this includes such work as childcare or household activities, and is estimated at a value of over £1 trillion to the UK economy.<sup>7</sup> Racialised and disability-related inequalities make these pay disparities even worse.<sup>8</sup>

Women, particularly from marginalised communities or with disabilities, are therefore more likely to have lower incomes, reduced career prospects, lower pensions and greater

reliance on social security. Furthermore, 48% of single parent households are living in poverty, and 86% of these parents are women.<sup>9</sup>

## Welfare and statutory sick pay

Even before the COVID-19 pandemic began, the UK had one of the lowest rates of sick pay in Europe. Two million of the UK's lowest earners do not receive sick pay – most of them women.<sup>10</sup> The coronavirus pandemic has vividly illustrated how our sick pay system is defunct: the lack of livable sick pay forced many to continue to work rather than self-isolate, making the harms of the pandemic worse for many households and communities.

Use of the Universal Credit system increased since the start of the COVID-19 pandemic, and it is anticipated that a further 3.5 million people will require Universal Credit as a result of the pandemic's impacts. Yet the scheme is dysfunctional, needlessly complex and often results in payment delays. As a result, Universal Credit has a detrimental effect on mental health with evidence showing an increase in suicides, self-reported mental health problems and antidepressant prescribing amongst those who use the system.<sup>11 12</sup>

# ▶▶ How can our economic system support health and wellbeing?

Everyone should have the right to a secure, liveable income, as well as the right to health.



We need economic justice: a society in which our economic system supports everyone to thrive and lead healthy and dignified lives within safe planetary limits; a society in which everyone has the right to health and a liveable income. To get there, we need systemic change in policies, institutions and norms to address the root causes of health and economic injustices. To rebalance the injustice of the current broken economic system, we need to radically reimagine the relationship between employee and employer, between owner and worker, and move towards different models of ownership and work. Here are some of the ways society could provide a liveable income for all.

An economy that truly supported workers would see an end to outsourcing, with all workers brought onto the same pay scales and paid at least a living wage. It would mean increasing statutory sick pay to the equivalent of a living wage and scrapping the minimum earnings threshold. Ensuring workers' rights and protections for all



is essential, including for those within the gig economy. Legislation to formally recognise gig economy bosses as employers could help to ensure commitment to employment rights.

We need to address the deep ways our economic system is designed to marginalise communities. We need to end the gendered, racialised and ableist pay gaps. We need to reframe what we understand by work, recognising currently unpaid work contributions across society including with employment provisions and pensions. A liveable income also means funding a social care system that meets everyone's needs over their lifetime, which would include the introduction of truly supportive parental leave policies.

An economy where everyone had a liveable income would also mean an overhaul of the Universal Credit system as we set out in our briefing on Health vs Wealth.<sup>13</sup> It would mean increasing basic and legacy payments, scrapping the benefits cap, removing the five-week wait and improving access for marginalised communities. It would also involve exploring what universal support systems look like such as universal basic income or living income.

# ▶▶ What can you do?

As members of the health community, we see and care for the symptoms of an unjust economic system. The NHS has hugely unfair employment practices, with workers on some of the most well paid and secure jobs while others are on some of the least paid and least secure contracts. We can play a crucial part in advocating for systemic change – a liveable income and the right to health for all.

So, how can you take action?

The health community sees and treats the symptoms of unfair economic policy, and can play a crucial part in advocating for change.



The Medact Economic Justice & Health Group is organising to address the root causes of economic injustices that drive health inequities, and campaigning for an economic system where everyone has a liveable income and can thrive. This includes working alongside local groups to end precarious and unjust working conditions, as well as advocating for policy change on a national level.

**Join the Medact Economic Justice & Health Group:**

[link.medact.org/joinEJgroup](https://link.medact.org/joinEJgroup)

## Further actions and reading

- Talk with your colleagues about livable incomes as a public health issue
  - What are the ways in which you see our economic system impacting people's health?
  - How do you think livable incomes can improve people's health and wellbeing?
  - How can you build solidarity with people you work with to improve working conditions?
- Read the briefing Health vs Wealth where in the context of COVID-19, we explore UK economic policy and public health: [link.medact.org/healthvswealth](https://link.medact.org/healthvswealth)
- Check out the other booklets in this series on the public health case for secure housing ([link.medact.org/securehousing](https://link.medact.org/securehousing)) and tax justice ([link.medact.org/taxjustice](https://link.medact.org/taxjustice))

## ▶▶ **About us**

This was produced by members of Medact's Economic Justice & Health Group and the Medact Research Network.

We are a growing network of health workers, public health professionals and civil society calling for action to address widening inequalities in health through economic system change, with a focus on welfare, work, housing and taxation policies for better population health at both local and national levels.

Medact is a global health charity that uses evidence-based campaigns to support health workers to take action on structural barriers to health equity and justice, in an effort to bring about a world in which everyone can truly access and exercise their human right to health.

# ▶▶ Endnotes

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