

JUNE 2016



POVERTY IN SCOTLAND



The Scottish
Government
Riaghaltas na h-Alba



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POVERTY IN SCOTLAND



WHEN PEOPLE IN POVERTY ARE LISTENED TO, CHANGE HAPPENS.

Introduction

This booklet sets out the latest poverty statistics for Scotland in a simple way that we hope is easy to understand.

For the second year running, the Poverty Truth Commission has helped us put the numbers into a real life context, asking people with experience of poverty to talk about what it's really like to live on not much money.

In this booklet, you can read what they say on the biggest poverty myths, the worst thing about living on a low income, and how to get out of poverty.

You can find out more about the Commission at the end of this report.

What is poverty?

In simple terms, living in poverty means being on a low income, compared to the average family in Scotland.

If you live on your own or have a small family, you probably need less money to get by than a larger family. That's why the 'poverty line' is different for different family types.

We've shown below what the poverty line is for different types of family. If your family has less than this amount each week, after you've paid for your housing costs, you can be said to be living in poverty.

TWO ADULTS



£243
(£12,700 PER YEAR)

A COUPLE WITH TWO CHILDREN



£393
(£20,500 PER YEAR)

A SINGLE PARENT WITH TWO CHILDREN



£291
(£15,200 PER YEAR)

A SINGLE PERSON



£141
(£7,300 PER YEAR)

What is the worst thing about living in poverty?

We asked commissioners at the Poverty Truth Commission what the worst thing was about living in poverty.



Poverty before housing costs

IN 2014-15, 800,000 PEOPLE (15%) WERE LIVING IN POVERTY IN SCOTLAND. THAT'S 70,000 MORE PEOPLE THAN THE YEAR BEFORE.

OF THE 800,000, 160,000 WERE CHILDREN, 470,000 WERE ADULTS OF WORKING AGE AND 160,000 WERE PENSIONERS¹.



**CHILDREN -
160,000 (17%)**



**WORKING AGE ADULTS -
470,000 (15%)**



**PENSIONERS -
160,000 (15%)**

¹ Numbers may not sum due to rounding.

Poverty after housing costs

We also measure how much poverty there is once people have paid for their housing. This is important as housing costs are, for most of us, unavoidable – we have to pay for somewhere to live. Some people argue that this is a more accurate way of looking at poverty, so the rest of this booklet focuses on this ‘after housing costs’ measure of poverty.

**IN 2014-15, AROUND 940,000 PEOPLE (18%)
WERE LIVING IN POVERTY IN SCOTLAND –
THE SAME NUMBER AS 2013-14.**

**OF THE 940,000, 220,000 WERE CHILDREN,
600,000 WERE ADULTS OF WORKING AGE
AND 120,000 WERE PENSIONERS.**



**CHILDREN –
220,000 (22%)**



**WORKING AGE ADULTS –
600,000 (19%)**



**PENSIONERS –
120,000 (12%)**

What's the biggest myth about poverty?

We asked commissioners at the Poverty Truth Commission what was the biggest myth about poverty.

We're all skivers and scroungers.

That we all live in rough areas and are uneducated.

That you can't be in poverty if you are working.

The way we are represented on some programmes on the TV. That we can all afford luxuries and are having a great life. My life is nothing like that.

That you can't manage money properly.

You bring it on yourself.

That it's your fault.



Changes in poverty over time

After housing costs, poverty remained at the same level for all groups in 2014/15, compared to the previous year. Over the decade, child poverty has fallen but the rates remain high. In the latest year, more than one in five children lived in poverty.

In recent years, more people are in employment, especially those in low income households. However, in 2014/15 the jobs they went into tended to be part time, meaning they were likely to stay in poverty even though they were working.

Welfare reform has meant benefits for working age people have not increased at the same rate as earnings. For many low income families, household income is not enough for them to escape poverty despite being in employment.

In-work poverty is increasing

In 2014-15, more than half of working-age adults in poverty (58%) lived in families where someone was in work. And two-thirds of children in poverty (66%) also lived in families where someone was working. This rate of 'in-work poverty' has been steadily increasing for several years. This is partly due to more people finding employment, which is good news, but low pay and reductions in social security payments mean that people don't necessarily move out of poverty.

Even full-time employment is not enough – nearly a third of households in working poverty had at least one person in full-time employment.



58% OF WORKING AGE ADULTS IN POVERTY AND 66% OF CHILDREN IN POVERTY LIVED IN HOUSEHOLDS WHERE SOMEONE WAS IN WORK.

One woman's experience



One commissioner at the Poverty Truth Commission told us about her experience of working her way out of poverty but then having to lose that job when her hours changed:

“ I was working as a carer looking after two men, two brothers, and I absolutely loved the job. After being unemployed for a long time, it was like winning the lottery. I absolutely loved it, it was perfect, a 9 to 5 job, Monday to Friday. Just perfect when you've got kids.

But after four years, a new manager came in and said that they would have to look at the hours of the job, and that I would probably have to work at night time and weekends.

I panicked. I couldn't do that, because I've got a young child, and I had no one to look after her. In the end I got paid off, because they didn't have any other nine to five jobs in the organisation so they paid me off. And there I was, unemployed again.”

Child material deprivation

The Scottish Government reports on the number of children who are living on low incomes and experiencing material deprivation. This means doing without items the majority of the population think are basic necessities, because you can't afford them. This is a more direct way of measuring living standards, recognising that parents might do without basic items themselves to make sure their children can have them.



IN 2014-15, AROUND ONE IN EIGHT CHILDREN (12%) WERE LIVING ON LOW INCOME AFTER HOUSING COSTS, AND GOING WITHOUT NECESSITIES. CHILD MATERIAL DEPRIVATION HAD BEEN INCREASING IN RECENT YEARS, BUT FELL IN 2014-15.



“ My last holiday was 13 years ago when my youngest was two years of age. It’s hard to explain to them during school holidays when their friends are talking excitedly about going abroad and they cannot join in the conversation. I try to protect my boys from the sacrifices I make by not buying for myself or having a night out with friends because I would rather give to them than to myself. Our lives are not extravagant, and living like this is not a choice.”

Pensioner material deprivation

The Scottish Government also reports on material deprivation for pensioners. This is another way of measuring living standards – and simply asks whether pensioners have a set of basic items or can use an essential service.

Pensioners might be materially deprived because they can't afford to do something; but they might also be deprived because they are too ill; or they might be disabled and the service they need might not be accessible; or they might not have enough support. This helps to think about material deprivation in a broader way – that people might be deprived for a whole range of reasons, not just income.



**AROUND ONE IN FOURTEEN PENSIONERS
(7%) WERE MATERIALLY DEPRIVED**



“ We might not have this or that, but we can fight for it. I’m proud of myself and the strength I’ve shown in growing from the wee lassie that couldn’t speak at school... I’m proud of the groups I’ve been involved in and the places I’ve spoken.

“I meet some of my family and they say, ‘What are you doing today? Going to another meeting?’ And I say ‘Aye, we’ve got to make things better for the children.’ I’ve got six great-grandchildren. I want to see a different future. One where everyone believes in themselves. And I will keep working for it.”

What's the best way to get out of poverty?

We asked commissioners at the Poverty Truth Commission what was the best way out of poverty.

Joining in with other people. It can be hard to do this. People in poverty are often too stressed and isolated to think or pluck up the courage to speak out.

Solidarity and social justice.

Credit unions to help you with sudden bills.

Decent wages.

The Living Wage. And as long as there are zero hour contracts, we'll never get out of it.

Have the right company around you. Good people who you journey with. To reassure you and give you security.



The Poverty Truth Commission

The Poverty Truth Commission brings together two groups of people who rarely get the chance to work together. People whose professional lives affect those living in poverty, and people actually experiencing poverty. We believe we cannot understand poverty, let alone address it, until those who live with its reality every day, are at the heart of the process for change.

Over the last seven years we have brought together some of Scotland's best known leaders and some of our economically poorest citizens. Currently gathering commissioners for a fourth round, we have focused our conversations and listening on subjects (among others) such as kinship care, food poverty, welfare cuts and the cost of school.

The Poverty Truth Commission is not like many other commissions. We are not simply interested in gathering information, evidence and proposing what needs to change. Whilst we present clear challenges and call for change, we are primarily committed to being that change, seeking to demonstrate the approach and culture shift we advocate. We take what we learn and use it in our communities and organisations. We are clear. Unless the people who experience poverty are able to shape the solutions, and not just be the recipients of the uninformed ideas of others, then nothing will really alter. This is about all of us. When people in poverty are listened to, change happens.

www.povertytruthcommission.org
[@PTCScotland](https://www.facebook.com/PovertyTruthCommission)

Relative Poverty in Scotland 2014/15

RELATIVE POVERTY BEFORE HOUSING COSTS



All people - 800,000 (15%)



Children - 160,000 (17%)



Working Age Adults - 470,000 (15%)



Pensioners - 160,000 (15%)

RELATIVE POVERTY AFTER HOUSING COSTS



All people - 940,000 (18%)



Children - 220,000 (22%)



Working Age Adults - 600,000 (19%)



Pensioners - 120,000 (12%)

IN-WORK POVERTY BEFORE HOUSING COSTS



Children – 110,000 (67%)



Working Age Adults – 260,000 (55%)

IN-WORK POVERTY AFTER HOUSING COSTS



Children – 140,000 (66%)



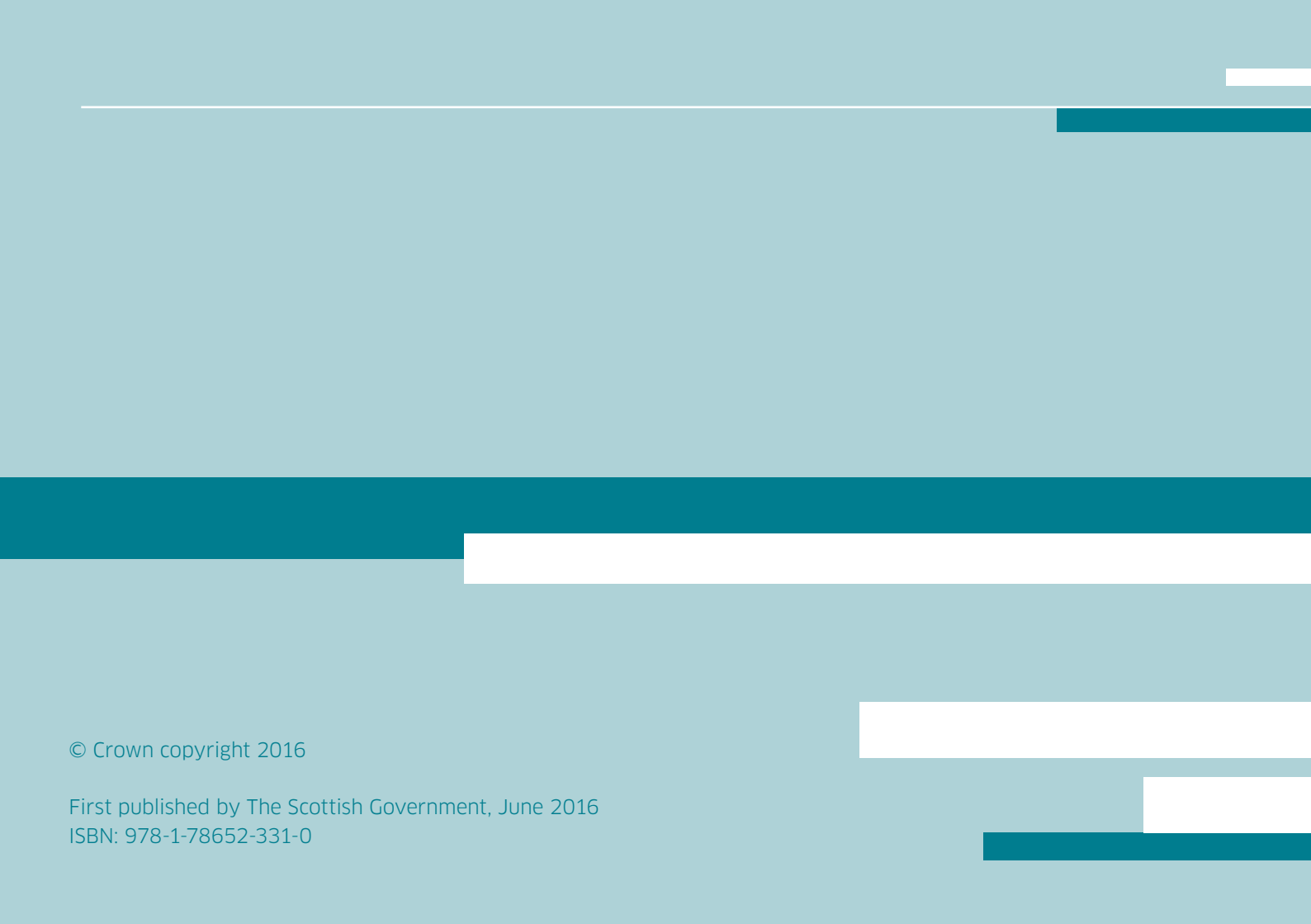
Working Age Adults – 350,000 (58%)



“ Nobody knows what life is like till they’ve been in that person’s shoes.”



“ At times I feel socially excluded – out of everything. I feel like people look down on me. But I am still a human being. Every time I get up, get a shower in the morning; get ready to go out, every day is a battle. Poverty really affects your mental health. The most important thing I've learnt is never to give up on yourself. If you give up on yourself, what chance have you got?”



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