

Can growth sectors help to reduce poverty?



What's the problem?

Many people and organisations want to reduce the number of people in Wales and the rest of the UK who live on very low incomes, or in poverty. They want to do this because having a low income:

- *affects people's quality of life including their health, how well children do at school, and their relationships;*
- *deprives the economy and society of skills and talents;*
- *costs the UK public purse about £78bn a year (around £4.5bn in Wales).*

Over the years there have been many attempts to reduce the number of people on very low incomes. There have been some successes, with the number of children and older people on low incomes falling dramatically in the last two decades. But the number of people of working age living on very low incomes has not changed much, and there are some forecasts that poverty will increase by 2020.

What should be done?

Paid work is vital to reducing poverty. People are almost always better off in work, but for some people, such as disabled people or ex-offenders, finding and keeping a job can be very difficult. Also, changes in the job market, such as more flexible jobs and rising self-employment, mean that these days a job is not necessarily a guarantee of raising a family's income above the poverty threshold.

Some economic sectors, such as social care, are expected to create thousands of new jobs in the next ten years. As they grow, they will create opportunities for people who are out of work and for people already in work. And if employers are having difficulty recruiting and keeping good workers, they might be more willing than others to change how they recruit and employ people.

But although we know that helping people into work is important, we don't know what might be the best ways of helping them in growing parts of the economy. We also don't know the most effective ways of increasing the incomes of people who are already in a job in these sectors.

This project is exploring what works best in the economic sectors that are most likely to grow. It will make recommendations to businesses, governments, learning providers and other organisations so that they can take effective action. This should help the economy to expand and at the same time help to cut poverty.

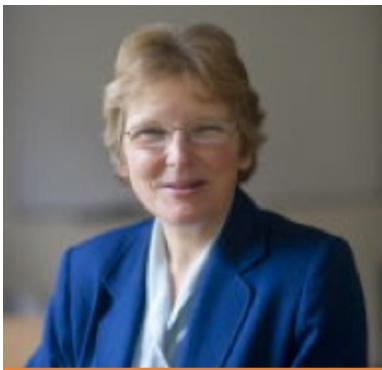
What the project will do

The project will find out 'what works' by:

- looking in depth at growth sectors, to find out about the number and type of jobs, how people move in and out of the sectors and whether they move out of poverty;
- considering evidence from the UK and round the world to identify the most effective approaches to recruiting, retaining and progressing in work;
- investigating six practical examples where governments and other organisations have tried to harness the potential of growth sectors;
- bringing together and testing the findings, working closely with employers, government officials and learning providers in Wales.

Who's involved?

The project is led by three leading researchers plus their support teams.



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In Wales, the Bevan Foundation – an independent think-tank - is helping to develop the recommendations and to persuade people to take action.

What happens next?

The team are testing their findings and developing their recommendations over the coming months, before publishing a final report. To do this we will:

- encourage employers, government officials, learning providers and others to have their say at four separate workshops to be held in different parts of Wales;
- raise awareness and encourage comments by publishing a series of briefings, online and print articles;
- organise a major conference where the final findings will be launched.

How to find out more and get involved

You can find out more about the project, including the available briefings, at <https://www.bevanfoundation.org/current-projects/can-growth-sectors-reduce-poverty/>

You can make sure you keep up to date by signing up to receive a regular e-bulletin about this and other related projects at <https://www.bevanfoundation.org/>

And you can let us have any comments or suggestions by emailing the team via info@bevanfoundation.org



This briefing has been produced as part of an Economic and Social Research Council project 'Harnessing Growth Sectors for Poverty Reduction: What Works to Reduce Poverty through Sustainable Employment with Opportunities for Progression' Grant reference ES/M007111/1.

For more information please visit <https://www.bevanfoundation.org/current-projects/can-growth-sectors-reduce-poverty/> or email info@bevanfoundation.org

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