

## Money for everyone?

### An appendix to chapter 15

#### Recipients of a Participation Income

A 'Participation Income' would be paid to any individual 'participating' in society. The list of 'participations' would include employment or self-employment, retirement, absence from work because of sickness or injury, inability to work because of disability, and approved forms of voluntary activity. Students, trainees, those caring for dependents (the young, the elderly, or disabled dependents), and those unemployed but available for work, would also be counted as 'participating'.<sup>1</sup>

If we ask: How do we decide whether a particular individual is 'participating' in society, then we need to ask whether or not they fit into any of these 'participation' categories.

The list raises a few questions: Would an actor receive their Citizen's Income while they were between shows? How much voluntary activity would someone need to do for it to count as participation in society? Do we count as 'participants' people who have chosen early retirement as participants? Would someone who chose to give up their employment in order to look after an ageing parent be counted as 'participating' in society? (Would someone need to decide whether the parent needed looking after?) Would a few months spent working without pay in a theatre, in order to gain experience, be counted as qualifying voluntary activity?

Some statistics might be of interest:

In 2010, out of a population of 40m 16 to 64 year olds, 30.66m were economically active ( - this includes those no in employment or self-employment but looking for work) and 9.34m were economically inactive. 'Economically inactive' means those without a job, who have not sought work in the last four weeks, and who would not be available to start work during the next two weeks. This is mainly students, people looking after dependent relatives, people with long term sickness or disability, people already retired, and 'discouraged workers'.<sup>2</sup> The most recently breakdown of the 'economically inactive' is in the 2001 census results:

*Table: 2001 census figures for England and Wales for the economically inactive between the ages of 16 and 74<sup>3</sup>*

Economically inactive	Total number	Number without limiting long-term illness
Retired	5,118,950	3,151,492
Student *	1,766,784	1,650,261
Looking after home/family	2,448,856	2,098,386
Permanently sick/disabled	2,076,243	83,719
Other	1,174,401	807,012

The 2001 census categorization counts full-time students as economically active, so only part-time students who are not otherwise economically active are counted here. Do we count all of them as participating in society? About half of these part-time students will be taking undergraduate or postgraduate degrees, and the other half a variety of other qualifications. <sup>4</sup> Is someone going to decide which courses count as ‘participation’ and which ones don’t?

In 2006, 71% of people registered disabled were out of work. If someone disabled could work, but chooses not to do so, then should we count them as participating in society? And who is going to decide such questions in individual cases? <sup>5</sup>

In 2010 there were 7.66m families with dependent children in the UK. If both parents decide to stay at home to care for a large family, then are they both ‘participating’ in society, or is only one of them doing so? The Government counts a child as ‘dependent’ if it is aged 0 to 15 years, or if it is aged 16 to 18 years and is still in full-time education. <sup>6</sup> If a child leaves school at 16 and its parents decide that one of them should remain available to support them as they seek employment and cope with young adulthood, then is that parent ‘participating’ in society?

Perhaps the most difficult question to answer relates to the quantity and characteristics of qualifying voluntary activity. 34% of people told the Department for Communities and Local Government’s Citizenship Survey that they engaged in ‘civic participation’ at least once in the previous twelve months, and 25% that they had volunteered formally at least once a month. The National Council for Voluntary Actions’ *Almanac* gives figures of 30.9m people volunteering informally, and 20.4m volunteering formally, at least once during the previous twelve months. <sup>7</sup> Should we measure ‘informal’ volunteering as well as ‘formal’ volunteering? How many hours of volunteering would we believe sufficient to qualify the recipient for their Citizen’s Income? Would such monetary reward for volunteering destroy the very nature of voluntary activity? Would people seek just enough voluntary activity to qualify for a Citizen’s Income? And would voluntary organizations adapt to provide the necessary minimum volunteering package required for receipt of a Participation Income?

Whom does Tony Atkinson have in mind to disqualify from his ‘participation income’? 16 to 24 year olds ‘not in education, employment, or training’? There were 1.16m of these during the third quarter of 2011: <sup>8</sup> but most of these will be signing on for Jobseeker’s Allowance and so will be counted as ‘economically active’, and so would receive a Participation Income. Or does he have in mind the non-working spouses of high earners? But many of these will be regular formal volunteers, and so would receive a Participation Income.

Calculating how many people would not receive a Participation Income would appear to be impossible in the absence of the complex set of rules which would be needed by the caseworkers deciding on the millions of claims and many thousands of appeals which would be bound to follow the establishment of a Participation Income. The idea of employing the notion of ‘participation’ to determine who should receive an otherwise unconditional income might be appealing politically, but its administration would quickly get bogged down in a morass of regulations and, worst of all, changes of circumstances. If someone ceases leaves university, after a break of three weeks works for a month carrying pizzas in order to earn some money, and then travels around South America for several months, and for one of those months volunteers with an Argentinian charity, and then returns to the UK, volunteers with a charity for a fortnight, and then finds a temporary job, before going to the Reading Festival, for half of which they’re

employed serving burgers: I don't envy the civil servant having to sort out for which of that time they receive their Citizen's Income.

A Participation Income's administration would become such a nightmare, and so few people would not be getting it, that it would quickly be turned into a Citizen's Income.

So why not start that way?

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<sup>1</sup> A.B. Atkinson, 'The Case for a Participation Income', *The Political Quarterly*, vol.67, no.1, 1996, pp.67-70, p.69

<sup>2</sup> The Department for Work and Pensions and the Office for National Statistics: [www.statistics4u-uk.com](http://www.statistics4u-uk.com), [www.statistics.gov.uk](http://www.statistics.gov.uk).

<sup>3</sup> 2001 Census data, table ST021, [www.nomisweb.co.uk/home/census2001.asp](http://www.nomisweb.co.uk/home/census2001.asp)

<sup>4</sup> Higher Education Statistics Agency, [www.hesa.ac.uk](http://www.hesa.ac.uk): In 2010/11, there were 823,955 part-time students: 545,250 taking undergraduate degree courses, and 278,705 postgraduate degrees.

<sup>5</sup> 2,546,000 people with disabilities were out of work: Richard Berthoud, *The Employment Rates of Disabled People*, Department for Work and Pensions, Research report no. 298, London, 2006

<sup>6</sup> [www.statistics.gov.uk/hub/population/families/families-children-and-young-people](http://www.statistics.gov.uk/hub/population/families/families-children-and-young-people)

<sup>7</sup> The Office for National Statistics, *Statistical Bulletin: Families and households in the UK 2011 to 2010*, April 2011: [www.ons.gov.uk](http://www.ons.gov.uk); *The Civil Society Almanac, 2010*, [www.ncvo-vol.org.uk](http://www.ncvo-vol.org.uk).

<sup>8</sup> Department of Education, *NEET Stats, quarterly brief*, [www.education.gov.uk/researchandstatistics/statistics/statistics-by-topic/youthandadolescence/NEET/a00199328/dfe-neet-statistics-quarterly-brief-quarter-3-2011](http://www.education.gov.uk/researchandstatistics/statistics/statistics-by-topic/youthandadolescence/NEET/a00199328/dfe-neet-statistics-quarterly-brief-quarter-3-2011)