Welcome relief or indecent subsidy?
The implications of wage top-up schemes

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Abstract:
A key policy response to the downward pressure on wages of the lowest paid workers in the developed economies of the capitalist world has been the introduction of means-tested cash transfer schemes by which to top-up low wages. Findings from a study of the experiences of the beneficiaries of a particular scheme (the UK's Working Tax Credit), suggest that though schemes may serve to relieve the poverty of low-paid workers and their families, the extent to which they promote the accessibility of 'decent work' is ambiguous.

Key words: poverty; work; wages; top-ups

Introduction

Among the recognised consequences of economic globalisation for the capitalist economies of the global North has been the polarisation of labour markets and downward pressure on the wages of the lowest paid (e.g. Doogan, 2009). One of the key policy responses has been the introduction of means-tested cash transfer systems to support the incomes of low paid workers. These may take a variety of forms ranging from in-work social security benefits to refundable tax credits and may entail differing degrees of integration between social security and tax systems, but in essence they all function as a means of relieving poverty by topping-up inadequate wages: we shall refer to all such schemes as 'wage top-up schemes'. This article draws on findings from a qualitative research study conducted in the UK which investigated the understandings and experiences of the recipients of the currently prevailing wage top-up scheme (the Working Tax Credit). The findings illustrate the ambiguous nature of such schemes. On the one hand wage top-up schemes provide welcome and necessary support that allows workers to work for sub-subsistence wages. On the other they function as a subsidy to low-paying employers and perpetuate essentially exploitative terms and conditions of employment. Insofar as wage top-up schemes may now have become an embedded feature of welfare state capitalism, the article discusses the possible consequences for the meaning of 'work' and concludes with some brief reflections on policy alternatives. The key focus of the article, however, is the connection between work and recognition; upon
the implications of wage top-ups for the personhood of the worker and the extent to which work that is subsidised in this way satisfies the human need to work.

The relief of poverty

The original precedent for the means-tested subvention of low-wages is usually traced back to the so-called 'Speenhamland System' of relief introduced in 1795 by the magistrates of Speenhamland, a rural parish in Berkshire, England (de Schweinitz, 1961). The magistrates were responsible for the administration of poor relief and, at a time of economic recession when the cost of living was outstripping the level of agricultural wages, they decided they would address the poverty of local farm labourers and their families by paying out of public funds a supplement to the labourers' wages. To this end they drew up a 'table of universal practice' under which relief could be calculated in accordance with the estimated requirements of a labourer's family. The difference between a man's wages and the minimum held to be necessary for his family's maintenance would be met from the poor rates. The scale on which relief was calculated was based on the cost of a gallon loaf of bread and upon the magistrates' assumptions as to how many multiples of that sum were needed to sustain a family of any given size.

The system was imitated throughout much of England, but eventually abolished by the Poor Law (Amendment) Act of 1834. Classical economic theory of the nineteenth century construed the Speenhamland system as an unwarranted interference with free-market forces and held that nobody in employment should receive relief to meet basic subsistence costs. This was the cardinal principle that subsequent forms of poor relief and modern social assistance schemes adopted until the advent of the post-industrial era. Associated with the 'crisis' that supposedly befell the modern welfare state in the 1970s (Mishra, 1984; Powell & Hewitt, 2002) an alternative economic orthodoxy has come gradually to accept that competitive economies no longer have need of a reserve army of labour and that it is better, so far as possible, to 'mop up' surplus labour (Bonoli, 2005). It is presumed that maximising labour supply serves to promote investment, even when achievable wage levels at the margins of the economy are lower than the cost of living (Jordan, 1998).

During the 1970s a means-tested in-work social security benefit, Family Income Supplement, for low-paid workers with children was introduced in the UK (Hill, 1990) and a refundable tax credit, the Earned Income Tax Credit scheme, for those on low wages was introduced in the USA (Walker, 2005). Since then a variety of broadly similar schemes have evolved, inter alia, in Austria, Belgium, Canada, Denmark, Finland, France, Ireland, the Netherlands, New Zealand and Sweden (e.g. Forman, 2010), albeit that there are important differences between these schemes in terms of administrative design and relative generosity. One important difference between the spectrum of contemporary wage top-up schemes and the Speenhamland System, is that whereas the costs of the latter were met at that time from local rates collected from the very property owners and employers who were responsible for limiting the wages of the agricultural workers affected¹, the costs of the former are met from general taxation. Although the nature and extent of the tax base and the progressivity of the tax system that support the payment of present day wage top-ups varies between countries, it is clearly labour as well

¹ I am much obliged to John Veit-Wilson for this point.
as capital that is now called upon to share the costs. What is more, the significance of tax financed wage top-ups is that they do not de-commodify labour power in the way that out-of-work social security provision does (Esping-Andersen, 1990), they effectively subsidise the commodification of labour power. Especially in liberal welfare regimes where corporate taxes are minimised and personal taxation tends, relatively speaking, to be regressive (e.g. OECD Tax Database - www.oecd.org/ctp/taxdatabase), the cost of topping up the wages of the lowest paid workers may be met disproportionately by their better paid counterparts rather than their employers.

Critics of the eighteenth century Speenhamland System had feared that wage top-ups financed under the Poor Laws might undermine the work ethic, since workers would have no incentive to work harder for additional reward. Twenty-first century policy makers, in the UK and elsewhere, have come to believe that state financed wage-top ups can bolster the work ethic by providing appropriate incentives for participation in a low-wage labour market (Bennett, 2005; Millar, 2003). In the UK, the original Family Income Supplement was replaced in the 1980s by a benefit called Family Credit, which was explicitly designed by a Conservative government to provide incentives for lone parents to enter or re-enter the labour market. Family Credit in its turn was replaced in the late 1990s by the Working Families Tax Credit as part of the New Labour government's welfare-to-work strategy and with the explicit intention of seeking to 'make work pay'. With effect from 2003 Working Families Tax Credit was then reconfigured as two separate 'credits': a Child Tax Credit, which provided means-tested support for low and middle income families with children; and a Working Tax Credit (WTC), which provided means-tested support for low-paid workers, including those without children. But the latest chapter in this bizarrely complex tale is, at the time of writing, still in the offing. With effect from 2013 the Child Tax Credit and the WTC are to be re-combined and - together with a range of other in and out-of-work benefits means-tested benefits for people of working age - subsumed into a single 'Universal Credit' (UC) (Department for Work and Pensions, 2010a). The claim made by the Coalition government is that the UC will be so designed as to ensure that recipients will always be better off in work - even if it is minimally paid, part-time and/or occasional - than not in work at all. Iain Duncan-Smith, the UK Secretary of State for Work and Pensions, went so far as to insist that the UC would "return the work ethic to homes where it has been lost for generations" (Daily Telegraph 6 June 2010).

The UK continues, it would seem, to develop a wage top-up scheme that might truly become the Speenhamland System of the post-industrial era; an era in which the cost of income maintenance provision shifts from capital to labour (Gough, 2000). It will relieve the poverty of the most badly exploited workers, yet, it is supposed, without imposing undue burdens on employers and without impairing the workers' work ethic.

Decent work?

Indeed, the question this begs is in part about ethics. It is not only about the obligation of individuals to provide for themselves through work, but also the duty of employers to pay just and reasonable remuneration for work performed and the responsibility of governments to ensure this.
If for present purposes we are to equate 'work' with paid employment, we may understand it to be one of the constitutive features of capitalist modernity (Durkheim, 1893; Weber, 1930), of the formal economic order (Polanyi, 1944) and of the totality of social organisation (Glucksmann, 1995). For individuals, work can have important meanings as a personal moral obligation and as a central life activity (MOW International Research Team, 1987), as a source of identity and fulfilment (Jahoda, 1982) and a sense of dignity and virtue (e.g. Noon & Blyton, 2007: ch. 3). However, work can also be exploitative, hazardous or demeaning. Work that is low paid, menial or chronically insecure can be inimical to human wellbeing. It is in this context that significant importance attaches to the idea of 'decent work' advanced by the International Labour Organisation (ILO) (International Labour Organisation, 1999; Standing, 2002: 263-5). Of the United Nations agencies, the ILO is the one least in thrall to neo-liberal tendencies, though it has limited direct influence. Nevertheless the ILO continues to sustain a broadly conceived global campaign dedicated to promoting just and favourable conditions of work and protection against loss or lack of livelihood:

Decent work is captured in four strategic objectives: fundamental principles and rights at work and international labour standards; employment and income opportunities; social protection and social security; and social dialogue and tripartism.

[www.ilo.org/global/About_the_ILO/Mainpillars/WhatisDecentWork/lang--en/index.htm]

But the term 'decent' captures a moral imperative as to the significance of work as a human experience, regardless of the skill or status of the worker. There has been some debate in Europe around the concept of 'job quality' (Leschke, Watt, & Finn, 2008), though it would seem from the EU's recent Europe 2020 strategy document that this may for the time being have dropped off the agenda (Pochet, 2010). Nevertheless, the idea of decent work clearly resonates or connects with, for example, notions of 'social quality' (Beck, Van der Maesen, & Walker, 1997)

The demand for work that is 'decent' and/or of reasonable 'quality' has its roots in the movement for human rights and the modern prohibition against slavery and forced labour. Associated with the framing of the 'negative' right not to be enslaved there has been a 'positive' right to work. A right to work may or may not be expressly recognised as a right of citizenship within constitutional instruments or by specific legislative provision within any individual nation state. Nevertheless, several key international instruments include specific provision in relation to work. The Universal Declaration of Human Rights (UDHR) of 1948 boldly declares that 'Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment' (Article 23[1]). The International Covenant on Economic, Social and Cultural Rights of 1966 more guardedly 'acknowledges' the right of everyone to the opportunity to gain her living by work which she freely chooses or accepts (Article 6[1]). At the European level, the Council of Europe's selectively ratified Social Charter of 1961 (revised 1996) provides for a right to earn one’s living in an occupation freely entered upon and to an economic and social policy designed to ensure full employment. The European Union's Charter of Fundamental Rights of 2007 (now incorporated into the 2009 Lisbon Treaty, albeit with an opt out by the UK and Poland) somewhat circumspectly provides for 'the right to engage in work and to pursue a freely chosen or accepted occupation' and 'the freedom to seek employment [and] to work': by
implication, there is no obligation on member states to provide a citizen with a job. While the right to work is established as a human right, its availability as a social citizenship right may not necessarily or unequivocally be guaranteed. In practice, some welfare states have always been more willing than others to protect citizens from the adverse consequences of wage labour through, for example, intervention to regulate wages and the terms and conditions of employment. While many countries have minimum wage legislation, statutory minimum wages will not necessarily be sufficient to ensure an adequate standard of living. In the case of the UK, a minimum wage was introduced as recently as 1999, but has been set and maintained at a level somewhat beneath the 'decency threshold' established by the Council of Europe at two-thirds of the national average wage (e.g. Coates, 2007).

Admittedly, the decency of work cannot only be gauged by some utilitarian calculus relating to levels remuneration. First, it must be acknowledged that 'work' as a term can apply not only to paid employment, but other meaningful human activities including caring and domestic activities and to a variety of educational, creative, and voluntary pursuits that are unpaid. The moral value of such work (e.g. Duncan & Edwards, 1999) can be systematically marginalised by policies that prioritise labour force participation. Secondly, it may be argued that the value that attaches to work - however it is symbolised or represented - reflects the recognition accorded to the human subject who performs that work. A version of this argument was contained in Marx's classic attempt to define the essential characteristics of the human species (Markus, 1978: 37-41; Marx, 1844). Marx claimed that work is one of four constitutive features of our species-being (the others being consciousness, sociality and historical development). 'Work' is to be understood in terms of a human being's purposive interaction with the world around her; of her metabolism with Nature. Wage labour, however, as the dominant form of work under capitalist relations of production is, according to Marx, inherently exploitative and a cruel distortion of what work should be. The exchange value of labour - when it is reduced to a commodity - conceals its true value or usefulness (Marx, 1887). According to this argument, work is neither a right nor a duty, but a fundamental human need (Dean, 2010).

It is an argument that draws to an extent on an older Hegelian philosophy that has more recently been reinterpreted in Honneth's work on *The Struggle for Recognition* (1995: 35-36). For Hegel, the essence of the 'human Spirit' lies in instrumental action or 'work' and the human subject's consciousness of doing work. A person's consciousness of herself as an active being necessitates an inter-subjective awareness of her coexistence with other active beings and the necessity of mutual recognition. Honneth's particular interpretation of the politics of recognition has been influential, not least because of his subsequent association with Nancy Fraser and her insistence that social justice is concerned as much with the recognition of difference as with the redistribution of resources (Fraser & Honneth, 2003). Can a wage top-up from the state accord the recognition that the low-paid worker has been denied? Sennett (1998) has associated the new managerial orthodoxies of post-industrial capitalism and the erosion of craft skills and class consciousness with what he calls a 'corrosion of character'. Could it be that the ascendancy of wage top-up schemes for the subvention of relatively menial or low-skilled labour further contributes to an erosion of the recognition that is owed to workers; to an
underestimation of people's needs in relation to their work; to a corrosion of the ethical premise implied by the term 'decent work'?

The study

It was with these possibilities in mind that in 2009-10 the author undertook a study using in-depth qualitative methods to explore what implications the UK's WTC might have had for low-paid workers from different backgrounds and in different circumstances. Specifically, the study sought to investigate the meanings and expectations that recipients of WTC attached to the scheme; to identify the different ways in which the recipients of WTC experience their jobs and, in particular, their motivation and the sense of identity or self-worth that they obtain from work when it is subsidised through WTC. A more detailed account than the outline presented below of the methods and of the full range of findings may be found elsewhere (Dean & Mitchell, 2011).

Interviews were conducted with 52 WTC recipients, of whom 36 were women and 16 were men. Of the participants 26 were partnered and had dependent children; 13 were lone parents and 13 had no children (of whom one was partnered and 12 were single). The sample was evenly divided between participants from the North of England and from the South and Midlands. Overall, the educational attainment levels of the sample were lower than those of the general population, but although a relatively high proportion of the participants had no or low-level qualifications, some had been educated to degree level. The employment experiences described by the participants reflected by and large the nature of peripheral labour market conditions. At the time of the interviews the participants were in a range of occupations including routine clerical/retail jobs; low-paid personal social service roles (e.g. childminder, care assistants, a hostel worker); though a few were in junior professional roles (e.g. teaching) or precarious self-employment. Most participants' working lives had involved a series of short term jobs, often interspersed with periods of full-time child care or unemployment.

A substantial majority (38) of the participants considered that they were not being paid what they were worth. This was particularly salient for participants who felt that the responsibility and challenges entailed in their work were going unrecognised:

I'm on the minimum wage like most of us [in this workplace] are. We haven't had a pay rise last year at all. … A number at the end of the day, that's how I feel. … they just give you more work and more responsibility… [47 year old lone mother]

It’s quite poor pay for what you're doing. It's hard work …. It’s a lot of responsibility, a lot of medications and things like that and, you know, the pay is terrible. [38 year old lone mother, working as a carer in a residential home]

Nevertheless, participants rarely explicitly recognised the sense in which the WTC was subsidising their employment. The following response was in fact quite untypical:

… I feel if I was earning a proper wage or a decent wage, I would have no need to claim Working Tax Credit. But according to them [management] they think they’re paying us a
good wage and I said well if you’re paying us a good wage why do I need to claim? [59 year old widow]

Beyond the question of pay, the participants were often positive about their jobs, as will be seen below, but their accounts sometimes revealed poor conditions of work and shoddy employment practices. Participants seemed by and large to have low expectations of the terms and conditions that pertained at work and, with few exceptions, little understanding of their employment rights. Though not all the participants were silent, the interviews were characterised by the relative absence of a tendency or willingness on the part of the participants to place the blame for unfair wages or poor terms and conditions on their employers.

All participants had received, or were members of households that had received, WTC since its introduction in 2003. Participants were glad to receive WTC and were by and large supportive of the scheme. In some instances, WTC had been experienced as something that enabled recipients to do a little bit more than merely survive, or as something that had afforded them a marginally more acceptable lifestyle. Nevertheless, the opaqueness and administrative unreliability of the scheme (see Citizen’s Advice, 2005) could be experienced as disempowering.

To get a sense of how the receipt of WTC may have affected the participants’ feelings about work, they were asked what they understood the purposes of the WTC to be. There were three dominant responses:

- Some participants failed to recognise the difference between WTC and Child Tax Credit and regarded the WTC as extra support for families with children and not necessarily as a reward for working. They saw it as compensation for their parental responsibilities rather than, as policy makers intended, a work-related benefit.
- Others were clearly aware that WTC was intended to provide an incentive for recipients to go out to work, but they insisted by and large that this was not a necessary incentive so far as they were concerned.
- Many participants acknowledged that WTC provided relief from hardship (they generally avoided the word ‘poverty’) and though this might be welcome there was for some an element of stigma associated with the benefit. They wished they didn't have to depend on it.

From these responses, it was hard to see what, if any, effect WTC was having on the work ethic of the recipients. A more nuanced understanding emerged when participants talked about their work.

The meaning of ‘work’: competing narratives

The primary focus of the study was upon how participants felt about their work in the context of their being recipients of the WTC. Close examination of the interview transcripts disclosed two dimensions or distinctions by which to classify the narrative accounts on which the participants had drawn. It should be emphasised that, for heuristic purposes, both distinctions are parsimoniously drawn. That is to say they are deliberate
oversimplifications that provide a lens through which more systematically to analyse complex and nuanced realities.

The first of these distinctions was between discourses that valued work as an end in itself, and those that valued work as a means to an end (cf. Dean, 2007). Sometimes participants implied that work gave particular meaning to their lives. Sometimes it was implied that they were working merely in order to obtain a living. For some participants more than others having a job was necessary to their sense of identity and self-worth. Nevertheless, talking about why it was important for them to work for a living, participants often revealed conflicting rationalities, and this ambivalence reflected an underlying tension between 'living to work' and 'working to live'.

The second distinction was between discourses that valued the particular job the participant held on the one hand and those that disparaged the job on the other. Sometimes participants implied they were 'grateful slaves', content with their jobs whatever the pay or status (Dean & Shah, 2002; Hakim, 1991). Conversely it was sometimes implied that they were what might be called 'resentful drudges', trapped in jobs not of their choosing (Dunn, 2010). As we have seen, most (but not quite all) participants recognised that they were to some extent underpaid if not exploited by their employers, but this did not necessarily mean that they were unequivocally resentful or dissatisfied. Participants were not asked for their definitions of 'decent work', but were encouraged to talk about the jobs they did, how they were treated and how they felt about their employers. In doing so they revealed conflicting emotions. Their ambivalence reflected an underlying tension between gratitude and resentment.

This thematic analysis was used, not so much to describe individual participants as to understand and to characterise the multiplicity of often contradictory narratives on which all or any of them would draw. Each of the identified narratives amounts to an 'interpellation' (Althusser, 1971)³ of one of four ideal type subjects defined through the thematic dimensions outlined above.

The 'virtuous worker' narrative

This is a narrative that interpellates the subject as a grateful slave who lives to work. It was not a wholly dominant narrative, but it was the narrative that was most frequently deployed by participants and for a quarter of the participants it was their principal narrative. Women and younger participants were more likely than men and older participants to call upon it.

The 'virtuous worker' narrative can be understood as a discourse that embraces the Third Way mantra: 'work is the best form of welfare' (Blair, 1997; Giddens, 1998). It is a narrative that regards work as a social responsibility and as inherently virtuous. To be in work, however menial or low paid, is to be economically productive; to be, if not wholly independent, less of a burden on others; to be a good example (especially, in the case of parents, to one's children); 'it helps your state of mind sometimes, yeah and it gives you a purpose' [28 year old partnered women with children]; 'it makes you feel a better person,

³ To interpellate somebody, in the literal sense, is to call upon her for an explanation. The term was adopted more metaphorically by Althusser to account for the way in which the ideological premises invested in language and everyday rituals of recognition construct the individual as a subject.
I suppose’ [35 year old partnered man with children]. Within this discursive narrative, WTC had helped participants to feel better about themselves.

At root, therefore, this was a narrative concerned with how participants defined themselves. For some this was about being defined by a sense of vocation on the one hand, or by a determination against the odds to achieve ‘normality’:

With the work I do as a carer, I see it as really, really important. … people hear you’re a carer or working for the NHS, and, I don’t know, they seem to respect you a bit more. [33 year old lone mother working in a hospital as a healthcare assistant]

They think you are sick or whatever, whatever … I don’t want people to – I’m not sick … I am controlling with my medication. I can live normal. [41 year old partnered women with children, suffering from diabetes]

Alternatively, the narrative was concerned with how participants defined themselves in terms of their parental responsibility or with reference to how they might be perceived by their children:

… it’s important that I work. Not necessarily the job I’m doing now but it’s important that I work for me and put work ethics to the kids that they’ve got to earn their own money regardless of what they do. [32 year old lone parent]

… thing is, without a job, you know what I mean, I mean like a, from my kids growing up, I give them the idea, look dad’s working, not staying at home. [41 year old partnered man with children]

It [being at work] means I’m not lazy. It means at least I’m setting a good example for my children. … For a long time I was sitting at home, they were like ‘what does your mum do?’, ‘she just sits at home’, you know, … so [I] get out and I say ‘oh yeah, mummy’s gone to work’, ‘what does your mum do?’, ‘oh, she works in [a high street retailer]’, then they [the children] used to love it …. [35 year old lone mother]

Often, however, the significance of the ‘virtuous worker’ narrative was that, especially for women, it defined the participant by who she was not. For some mothers it was about being more than ‘just a mum’, thereby accepting that increasingly it is expected that both lone mothers and partnered mothers should participate in the labour market. But there were also instances of a more corrosive version of the discourse in which the WTC recipient was pitted against the ‘otherness’ of, ‘track suit mums', 'scroungers', 'dossers' and the undeserving poor (e.g. Lister, 2004):

I am a Mum and that's like the hardest job, but it is again now I can answer ‘no, I’m – I’m actually a Health Trainer’. … you kind of feel that now society takes you more seriously and kind of sees you as erm a positive part of it rather than a kind of benefit, at home, in a track suit Mum, which was a horrible tag to feel that you were labelled with by other people. [27 year old partnered woman with children]

I can sit here on a night time and watch [television]…. these horrible programmes that come on with, um, bloody scroungers and these people that have 24 kids and have never paid a penny in tax. And we can sit and say, no, we pay our way. We pay our bit and you
know, we contribute to the things that we get out of society. And on the other hand, obviously, you see the scroungers etc, who don’t, and it’s a little bit frustrating. [39 year old partnered man with children]

…. having employment and knowing that I work and doing my share in the community. It just makes me feel better in myself that I’m working … I don’t like to be classed as just a doss. [47 year old lone mother]

I’m contributing to society and I feel like I have the right to, erm, use services and things whereas … I believe if people don’t work or have never worked, I don’t see them as being equal, which sounds really hard but I don’t see them as being equal to me because I do believe that everybody should contribute and, you know, work, basically. [28 year old partnered woman with children]

Undercurrent narratives

Three other narratives emerged from the transcripts and these, though not as prominent, were less consistent with the policy rationale that had informed the WTC scheme under the New Labour government in that they did not embrace work as the best form of welfare because:

- work was not necessarily regarded as a means to maximise personal utility (a 'moral pragmatist' narrative);
- work was failing to reward participants' commitment and aspiration (an 'exploited workaholic' narrative);
- the work participants were doing was experienced as exploitative and/or inherently unsatisfying (a 'reluctant worker' narrative).

The 'moral pragmatist' narrative interpellates the subject as a grateful slave, but one who works to live. By its nature it had a modest and less obtrusive profile than the 'virtuous worker' narrative, but it surfaced only slightly less frequently as a principal narrative. It is a narrative concerned less with the sense of identity that participants may have derived from their employment and rather more with what Duncan and Edwards (1999) have referred to as moral, as opposed to utilitarian, rationalities. Paid employment may be experienced as a means to obtain a legitimate livelihood and as an incidental obligation that is willingly embraced, albeit that one's moral priorities in life are not necessarily or invariably rooted in one's job. Alternatively, people may undertake employment not for economic gain or self-fulfilment but because they attach moral value to the nature of the work itself. Within this discursive narrative, WTC had perhaps helped ensure the commensurability of low paid employment and moral commitments that may or may not be connected to work, but of itself it added little or nothing to life's meaning.

There were participants for whom work was in some respects or at certain times less important than other aspects of their lives. Some of these were partnered mothers who were 'comfortable' working part-time; who would undertake menial cleaning jobs, because 'you can choose your hours and it fits in better with children'; or who accepted flexible work in a local shop on a clear understanding with her employer that 'the children come first, no matter what'. Other instances were provided by men who had modest
ambitions and had committed themselves relatively contentedly to low-paid, low-status jobs. Sometimes the narrative expressed itself explicitly in terms of the value that was attached, not to pay or prospects, but to what might be called moral contentment; to a congenial environment at work and time with family at week-ends:

Well, the best things [about my job] are the hours and the people I work with. We have a great laugh. … most of the time, it’s, it’s a nice relaxed atmosphere. Um, I enjoy what I do, um, and that’s pretty much it. I’m getting to the age now where … I don’t want to live my life at 100 miles an hour anymore. … And that’s a nice thing, to finish on a Friday and know that’s it. [39 year old partnered man with children]

There were also instances in which pay and prospects were willingly sacrificed because a participant's work was regarded as morally essential, however demanding. Our sample included some remarkably self-effacing women who were working as paid carers in residential settings and for whom a sense of moral compassion to some extent outweighed the resentment they might have expressed about their terms and conditions of employment. Though this was a narrative that could sometimes co-exist with a 'virtuous worker' narrative, there were instances in which an ethic of care transcended all concerns with desert and reward:

The best thing’s helping the patients and talking to them. I love talking to them. … It’s brilliant. …. [Interviewer asks 'How important is your job to you?'] Extremely important but not just for the money. [53 year old lone mother - healthcare worker]

The 'exploited workaholic' narrative interpellates the subject as a resentful drudge, who nonetheless lives to work. It was a less prominent but significant discursive narrative in which work was constituted as a civic duty and the sine qua non of individual autonomy and identity. It was a narrative of frustrated ambition, drawn upon particularly, but not exclusively, by men and by older participants. Within this discursive narrative, WTC is potentially a negative influence, since it perpetuates low paid employment and may lock ambitious workers into menial jobs. There were many instances in which participants experienced difficult employment trajectories in the course of their working lives and adverse terms and conditions in their current jobs. Though often these were borne with equanimity, it was through the exploited workaholic narrative that participants sometimes voiced resentment.

Some participants had had experience of higher paid employment or of running their own businesses in the past and found it hard to work in low-paid, low-status jobs, though nonetheless they would take pride in the effort they put into such jobs, never taking time off and sometimes working masochistically long hours:

… right now as a Team Leader I do two or three people’s jobs. I work any shift they ask me to do. In Kenya I had my own business, but over here, in this country I’m just employed. …. I mean I’ve never stayed away from work – from almost 35 years I’ve never stayed one single day away from work. … There is a time when [at the supermarket where he now works] I worked 7 days a week from 6.00 in the morning till 10.30 at night, without any rest, for 7 months at a go. [48 year old partnered man with children]
Finally, the 'reluctant worker' narrative interpellates the subject as a resentful drudge who works merely to get a living. Though the least prominent, there was a handful of participants with whom the narrative figured strongly. One again, this applied when participants' sense of identity was not rooted in their work. Within this discursive narrative, WTC was something of an irrelevance. In a couple of instances, this was because participants placed value on commitments outside work:

I work on a chicken counter at [supermarket], so I mean I could you know I don’t want to be doing that the rest of my life because there are things I’d rather be doing than that, you know, within the Union or within the political framework. [36 year old partnered man with children]

I’d rather not be doing this. There are a lot more things I’d far rather be doing down at Church, erm, like helping with the kids. [51 year old partnered woman with children]

Additionally, however, there were middle aged women who had worked and brought up children in the course of their lives, but for whom the labour market no longer offered any enduring attraction:

I’ve worked sort of pretty hard all me life, I mean bringing my kids up and everything and that. Me husband always worked hard in his life. We never really claimed much at all so when there’s other people claiming for everything, no, I don’t see why I shouldn’t get it [WTC]. …. [speaking about her current job] like all jobs because it’s the same day in, day out, more or less, I mean you get bored and fed up with it …. I mean there are days when I just think, ‘oh, I just don’t want to go back tomorrow’, but you get up and go. It’s a case of having to. [59 year old widow]

These undercurrent narratives suggest, albeit in quite different ways, that though the WTC had provided welcome additional income to the participants, it could not of itself compensate for the injustices or adverse effects of a flexible, low-wage labour market.

Conclusions

These findings suggest that though wage top-up schemes may succeed in relieving poverty they can, in certain circumstances, be inimical to decent work. Indeed, they may entrench labour market conditions in which, in breach of the UDHR, workers do not receive just and favourable remuneration for their work and, contrary to the ethical significance that attaches to work, some workers are denied proper recognition of their moral worth.

There are clearly limits to the generalisations that may be drawn from a small-scale qualitative study based on a particular country's wage top-up scheme at a particular moment in history. Nevertheless, the study suggests that though low wage top-up schemes may assist in accommodating workers to a flexible and competitive low-wage labour market there can be circumstances in which workers may feel in various ways aggrieved. The discursive narratives identified through the study provide some degree of insight as to the possible implications of wage top-up schemes in general if indeed they should continue to proliferate.
In the case of the UK, as has been indicated, WTC will with effect from 2013 be subsumed by UC, a means-tested cash transfer available to all people of working age, whether in or out of work. Insofar as UC, like WTC, will 'make work pay' it is only by marginally increasing the income of recipients who accept low-paid employment. Though the overall simplification of the benefits system portended by the proposed reform is likely to be welcomed by recipients, it will not necessarily secure any non-monetary or deeper moral satisfaction from the work that a worker performs. It will not necessarily secure for a worker that which she might regard as proper recognition or a just reward from her employer for the work she performs. Additionally, pressure upon recipients to seek or to take work on any terms have already been increased as conditions are tightened and associated sanctions increased (Department for Work and Pensions, 2010a, 2010b).

Recipients of UC who subscribe to any extent to a 'virtuous worker' narrative may paradoxically feel less virtuous, if indeed the credit they receive is not so clearly distinguishable from that received by 'others' who are not in work. Recipients who subscribe to any extent to a 'moral pragmatist' narrative are likely to find themselves no less at odds with the utilitarian moral logic of the UC than that of the WTC. Recipients who subscribe to any extent to an 'exploited workaholic' narrative are likely to feel no less resentful of jobs in which their contribution is not fairly remunerated and their ambitions not adequately fulfilled. Recipients who subscribe to any extent to a 'reluctant worker' narrative are likely to feel no less resentful of working in unsatisfying jobs on terms they find unacceptable.

It has been suggested that the introduction of the UC system might be interpreted as a 'low road to basic income' (Jordan, forthcoming). A basic income - an unconditional periodic income payable to every individual citizen (Fitzpatrick, 1999; Parker, 1989; and see www.citizensincome.org) - would differ from the UC first, in that it would be non-means-tested and non-withdrawable as a recipient's earnings or income from other sources rise; second, because it would be based on individual and not household entitlement; and third, because there would be no obligation on citizens to seek or to take paid employment. It is possible, however, to envisage that a welfare regime could by stages move towards some form of partial basic income, even for people of working age (Jordan, Agulnik, Burbidge, & Duffin, 2000). In that event, a partial basic income would function as a form of wage top-up scheme. Such a scheme would be likely to have little impact on the behaviour or motivation of recipients who subscribe to a 'virtuous worker' or 'exploited workaholic' narrative, since they would still value paid employment as work for its own sake. However, recipients who subscribe to a moral pragmatist or reluctant worker scheme might enjoy greater freedom to engage in other (unpaid but more fulfilling) forms of work.

It may be surmised, however, that it is more likely that a UC type scheme would evolve (or regress?) not into a form of basic income scheme, but a form of negative income tax scheme if the taper by which guaranteed income is withdrawn as other income rises were steepened or increased towards 100 per cent. Unless accompanied by draconian labour market activation measures such a scheme would be likely to test the willingness of most recipients to accept low paid work.

Conversely, however, it may be seen that a policy measure that might attract support from within each of the narratives identified would be a measure that did not
seek to top-up low wages but imposed an obligation on employers to pay just and reasonable wages (see, for example www.fairpaynetwork.org). This can be achieved through enhancements to existing statutory minimum wage schemes. An alternative to minimum wage schemes advocated by some is the implementation of 'living wage' schemes (GLA Economics Living Wage Unit, 2011; Hirsch, 2010). Though rhetorically persuasive, the idea of a one size fits all 'living wage' that will ensure that any worker and her dependants can be free from poverty without means-tested support is inherently problematic (Bennett & Lister, 2010; Grover, 2005). Wages are in the last instance a reward for work and responsibility for guaranteeing support for families is more fairly collectively borne through universal state provision.

We might again reflect on what it was that the Speenhamland System once achieved. It relieved poverty by providing means-tested support for families while requiring employers to meet the cost through taxes. The post-Industrial capitalist economies of the world, despite an era of fiscal austerity, are in a position nonetheless to prevent poverty by proving universal support for families funded through progressive general taxation, while seeking so far as possible to regulate employers to ensure that at every level within the labour market they provide work that is decent.

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