Working and hurting?

The impact of austerity, economic change and changes to social security on health in Scotland

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Why look at this? – welfare reform

“[W]e know that work, and the improved incomes that flow from it, have beneficial effects in terms of people’s health and well-being…It is difficult to quantify these effects precisely but their existence is not in doubt” (p. 5)

“A more work-focused benefit system will have wider benefits for society, in terms of better health outcomes…” (p.50)

(Universal Credit: Welfare that Works, 2011)
“There is significant concern within the public health community that the current wave of welfare changes may cause negative health impacts for working-age people in receipt of benefits and their families...It is too soon to evaluate the impacts of either the economic recession or welfare changes using routine health data.”

(McCartney et al, 2013)
Why look at this? – austerity

“Hospitals in Scotland have been overwhelmed by less affluent elderly patients who are in poorer health, with their health having been harmed almost certainly as a result of austerity…The rise in mortality in Scotland was foretold, and it could have been prevented.”

(Dorling, ‘The Scottish Mortality Crisis’, 2016)
The wider context – trends in the economy
What we looked at

• Relevant health determinants – employment, income, poverty
• Using population surveys (e.g. Annual Population Survey, Scottish Health Survey, Households Below Average Income)
• And routine data (Population estimates, Deaths, Hospitalisations)
• Descriptive analysis
What we found

• Some things got better or continued to improve
• Some things stopped getting better or got worse
• Some of these changes occurred after 2010
• In more detail…
Changes likely to be **good** for health

- People in workless households ↓
- Involuntary PT employment ↓
- Involuntary temporary employment ↓
- Reduced financial insecurity ↓
- Reduced sanctioning ↓
More working households...

Living in a workless household:

- **Children**: 15% in 2010, 12% in 2016 (↓ 3pp)
- **Adults**: 16% in 2010, 12% in 2016 (↓ 4pp)

Children:

- **2010**: 15%
- **2016**: 12%

Working-age adults:

- **2010**: 16%
- **2016**: 12%
Not in employment

Lone parents
↓ 6pp

Percentage

2010  2016

Young adults
↓ 5pp

Lone parents

Not in employment

35

41

Young adults not in FTE

Not in employment

26

31
Since 2012:

- Single parent: ↓ 31% to 20%
- Single adult: ↓ 25% to 15%
- Large family: ↓ 18% to 9%

% not managing well
Number of people sanctioned at least once (‘000s)

Financial Year

People sanctioned after challenges
↓ ~ 30,000

- Universal Credit *
- JSA
- IS (Lone Parents)
- ESA (WRAG)
Positive health outcome indicators

• Historically low levels of mortality from suicide, assault and road traffic accidents

• Stability in population-level obesity

• Improved life satisfaction

• Low levels of new TB cases

• Lower than anticipated mortality for:
  • Women
  • Children and young adults
  • Adults aged 75-84
But also accompanied by:

- Rising child & lone parent poverty ↑
- Unchanged working-age poverty ↔
- Mental health problems ↔ ↑
- …may be worsening for some
- Decline in incapacity benefits halted ↔
Living in a workless household

Children ↓ 3pp

- 2010: 15
- 2016: 12

Adults ↓ 4pp

- 2010: 16
- 2016: 12

Children

Working-age adults
Living in a workless household

Living in poverty

Children ↓ 3pp

Adults ↓ 4pp

Children ↑ 2pp

Adults ↔

Children

Working-age adults

Percentage

2010 2016

Living in a workless household

Living in poverty

2010

2016
Not in employment

Lone parents

↓ 6pp

31

26

35

41

Percentage

Not in employment

2010 2016

Young adults not in FTE

↓ 5pp

31

26

Percentage

2010 2016

Possible mental health problems

Living in poverty

Not in employment

Possible mental health problems

Scottish Government
Not in employment
Living in poverty
Possible mental health problems
Lone parents
Young adults not in FTE

Percentage

2010  2016

41  35  45  32  31  26

↓ 6pp  ↑ 13 pp (2015)  ↓ 5pp

↓ 6pp
↑ 13 pp (2015)
↓ 5pp
Not in employment | 41 | 35 | ↓ 6pp
Living in poverty | 32 | 45 | ↑ 13 pp (2015) ↓ 2pp
Possible mental health problems | 28 | 26 | ↓ 5pp
Lone parents | | |
Not in employment | 31 | 26 | |
Young adults not in FTE | 18 | 24 | ↑ 6 pp

- Recession: ↓ Downward trend to 2011
- Austerity and welfare reform reform: ↔ Little change since then

Proportion of working-age population

Year

Less encouraging health trends

• Stagnation in previously improving trends in working-age mortality from:
  • heart disease, men in deprived areas
  • respiratory disease
• Alcohol, drugs and mental health
• Lack of progress on HIV infections
• Persistent inequalities, now rising
• Higher than anticipated mortality for:
  • Men
  • Adults aged 50-74, 85-89

(But mortality trends sensitive to baseline)
Respiratory disease mortality, Scotland: 1981-2016

Age-standardised mortality per 100,000

Year


Recession
Austerity and welfare reform

Difference in total number of age-standardised deaths per annum (both sexes)

R² = 0.91
R² = 0.67

Males
Females

Overall, fewer deaths...

Difference in total number of age-standardised deaths per annum (both sexes)
Trends in IHD mortality, Scotland: 2001-2016

Overall, many more deaths
All-cause mortality, Scotland (50–54 years): 1981-2016

More deaths...
All-cause mortality, Scotland (60–64 years): 1981-2016

More deaths…
All-cause mortality, Scotland (70-74 years): 1981-2016

More deaths...
Evidence of a change after 2010?

**Strong evidence**
- Child poverty
- Earnings FT workers
- Household incomes
- Mortality for some
- Mental health
- Absolute inequality in mortality

**Adverse impact, strong evidence**
- Reduced financial insecurity
- Lone parent & young adult employment rates
- Stabilised obesity

**Positive impact, strong evidence**
- Female employment
- Working age worklessness

**Bad for health**
- Increased drug-related deaths
- Relative inequalities in mortality

**Adverse impact, weak evidence**

**Good for health**

Conclusions (1) – welfare reform

• Rise in employment post-2010 may have been beneficial for some – those moving into good work.
• But has not yet translated into reduced poverty or improved mental health.
• Health benefit trends flat-lining, inequalities rising.
• Concerns that welfare reform poses a risk to health should be taken seriously.
Conclusions (2) – austerity

• May be a substantial excess mortality after 2010 in Scotland, concentrated among certain age groups

• Although sensitive to the choice of baseline year, very concerning and needs to be better understood.
## Conclusions (3) - what might be done?

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<th>Proposal</th>
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| Harmful aspects of welfare reform           | Stop sanctioning people with health conditions, disabilities and lone parents.  
                                       | Strengthen the Scottish Welfare Fund                                       |
| Drugs and alcohol                           | Test and evaluate measures to prevent, mitigate and undo harm             |
| Working-age adults and their families        | Implementing Poverty and Inequality Commission recommendations; Stevenson/Farmer Review; Fair Work Convention |
| Improving the evidence base                 | Monitor and understand recent mortality trends                           
                                       | Explore income & employment interventions that improve health and reduce health inequalities |
Working and hurting?

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