The recent introduction of the National Living Wage and an increase in the tax-free Personal Allowance are welcome policies aimed at increasing income for working households. But it is not the whole story. New evidence from Citizens Advice reveals the security of that income – and of people's employment in general - has been an overlooked piece of the labour market puzzle.

We asked 1,135 people about what makes them feel secure in their lives. They told us a job with a regular income is as important as level of pay. This is more important to their feelings of security than the issues which can dominate political discussion, such as police presence on the streets, a thriving local high street or rising interest rates.

**Income security is as important as absolute level of income**

We asked respondents about the factors that mattered most when looking for a job. While much recent policy debate has focused on levels of pay and wage floors, people said a steady income is as important as the amount of money they earn. Income security was seen as more important than the job's location, or its opportunities for advancement.

**Which factors are important when looking for a job?**

<table>
<thead>
<tr>
<th>Factor</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receiving a steady income</td>
<td>92%</td>
</tr>
<tr>
<td>Level of pay</td>
<td>93%</td>
</tr>
</tbody>
</table>

**Top 5 factors considered 'very important' when looking for a job**

- Receiving a steady income: 70%
- Level of pay: 60%
- Location of job: 50%
- Opportunities to gain experience: 40%
- Being passionate about the work: 30%

The numbers of people in insecure work have remained fairly constant since 2011 and have not fallen back to pre-recession levels. So despite record employment rates, the persistence of insecure work leaves many households at continued risk of economic shocks, and unable to plan for the future.

Labour market context

4.5 million people in England and Wales are in some form of insecure work.²

- Just over 2.3 million people work variable shift patterns³ and 1.1 million work on temporary contracts
- 800,000 people work on either zero hours or agency contracts
- People in insecure jobs are more likely to earn less money and work longer hours
Insecurity at work is more of a problem for some groups than others

Our research also found that some groups are more likely to experience insecurity - both in terms of their income and in employment more widely.

**People in smaller organisations** are 29% less likely to have a job that provides a steady income.

**Disabled people** are 27% less confident that they can afford to maintain their quality of life.

**Part-time workers** are 22% less likely to be able to predict shift patterns and working hours.

**Women** are 15% less confident that they can keep up with the bills and payments.

Security in work is central to our overall feeling of security

We then asked respondents what made them feel secure in life. What was clear was that issues relating to their income and immediate experiences of employment were consistently the most important. These were much more significant than many of the local or national factors, such as police presence or NHS waiting lists, which often feature in political debate.

What factors make people feel 'very secure' in life?

<table>
<thead>
<tr>
<th>Personal factors</th>
<th>Local factors</th>
<th>National factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>a steady income</td>
<td>police presence on the streets</td>
<td>forecasts of interest rates rising</td>
</tr>
<tr>
<td>your company being successful</td>
<td>a thriving local high street</td>
<td>NHS waiting lists</td>
</tr>
<tr>
<td>a good line manager</td>
<td>your partner having a steady income</td>
<td></td>
</tr>
<tr>
<td>regular and predictable hours</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Kate, 22

“I worked anything from 12-50 hours each week. Not having set hours was really difficult as some weeks I did not have enough money to cover my bills or rent. I never knew how much money I would have so I could never budget or plan ahead.”
**Security in work is central to the Government’s ambition of a ‘high wage, low welfare’ economy**

It’s not just employees who benefit from feeling more secure. Our results suggest employers will experience greater loyalty and productivity from their staff. With the introduction of the National Living Wage increasing labour costs, these employer benefits are likely to become increasingly important.

“A steady, reliable income is fundamental to people’s feeling of security.

“How much money people are paid is important to them but our research reveals the security of that income is also vital.

"Knowing how many hours you’ll be asked to work and when, if you’re entitled to sick leave or holiday pay, and whether you’ll still have a job in six months’ time are all key to feeling secure.

“Without income security, budgeting can be impossible and people struggle to save or plan for their futures.”

Kayley Hignell
Head of Policy at Citizens Advice

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1. In February 2016, we commissioned ComRes to ask 1,135 people about a range of issues related to income security, security in employment and security in their lives.

2. Analysis of ONS Labour Force Survey (2015). We define a worker as insecure if any of the following apply: zero hours contract; temporary contract; agency work; work more than 8 hours paid overtime per week; work variable shift patterns.

3. Includes split shifts or day/night shifts where the hours vary.