

Intentional poverty by design

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This [comes from the Guardian this morning](#), but since it comes straight from a press release I cannot find on the web as yet I have no compunction in sharing it. In doing so I should add that I rarely have that much sympathy for the work of Frank Field MP. But he is now making clear just what is going on as a result of new government cuts:

*The Labour MP **Frank Field** has this morning released figures from the House of Commons library on the impact of two measures in the budget. He asked the library (which doesn't just lend books - it's a research facility for MPs) to analyse the impact of the cut in the amount people are allowed to earn before they start losing tax credits, and the increased, 48% taper rate (the amount claimants lose for every extra pound they earn).*

Here are the key findings, according to Field's press release.

The analysis shows that:

- 3.2 million strivers will lose an average of £1,350 next year.***
- 754,900 families earning between £10,000 and £20,000 a year will lose up to £2,184 next year. Families earning £10,226 will be exactly £1,500 worse off.***
- 51,600 families earning between £20,000 and £30,000 will be made worse off by up to £2,884 next year.***
- 580,100 of Britain's poorest working families earning less than £6,420 a year face the prospect of being 'taxed' for the first time. Those earning between £3,850 and £6,420 will lose 48p in tax credits for each pound they earn. This is a higher withdrawal of income than that imposed on the country's highest earners. Families earning £6,410 a year will be £1,200 worse off as a result.***

Field said Labour should be standing up for these "strivers".

Before, during, and after the general election campaign the Tories rightly gained plaudits for their commitment to protect and advance the interests of Britain's strivers. Yet in his first post-election budget the chancellor has decided to knock this group for six. He has torn up the contract they signed when they took it upon themselves to find a job. So here is Labour's opportunity to put itself once again on the side of Britain's army of strivers. First we must fight this double whammy of unfair cuts being forced upon them and, second, we need to push for improvements to the chancellor's living wage proposal so that low paid workers genuinely are better off.

I agree.