



Social Class Variations in Income Poverty, Deprivation and Consistent Poverty: An Analysis of EU-SILC

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*Comparative EU Statistics on Income and Living Conditions: Issues and
Challenges, Helsinki, 6-7 November 2006*



Our: Premise and Hypotheses

Premise: Classes capture an enduring aspect of differentiation in life chances

Stronger class differences as one moves from

- Income poverty only --> Deprivation
- Income or Deprivation -- > Consistent poverty



Method

- SILC 2004 data, 14 countries
- Poverty: Median Equivalised Income (below 50%, 60 %,70 %; modified OECD scale)
- Deprivation: Corresponding Deprivation Thresholds (60 % poverty line)
- European Socio-economic Classification (ESeC) measure of social class



Indicators of Deprivation – 10 items

- Cannot afford
 - Telephone
 - Car
 - Colour TV
 - PC
 - Washing machine
- In arrears on rent/
mortgage, utilities, hire
purchase
- Cannot afford
 - To pay unexpected
required expenses
 - To keep home
adequately warm
 - One week annual
holiday
 - Meal with meat etc.
every second day

**Weighted within country; threshold based on %
below 60% median income line**



European Socio-economic Classification (ESeC)

- Based on work of Erikson and Goldthorpe
- Classes distinguished on basis of employment relations:
 - Employer/self-employed/employee
 - Service or labour contract (or mixed)
- ESeC derived based on variables in SILC:
 - ISCO88 – 2 digit
 - Current Employment status (self employed, employee)
 - Supervisory status
 - Size (<10, 10+)
- Class at household level (dominance rule); analysis at level of individual (all persons)

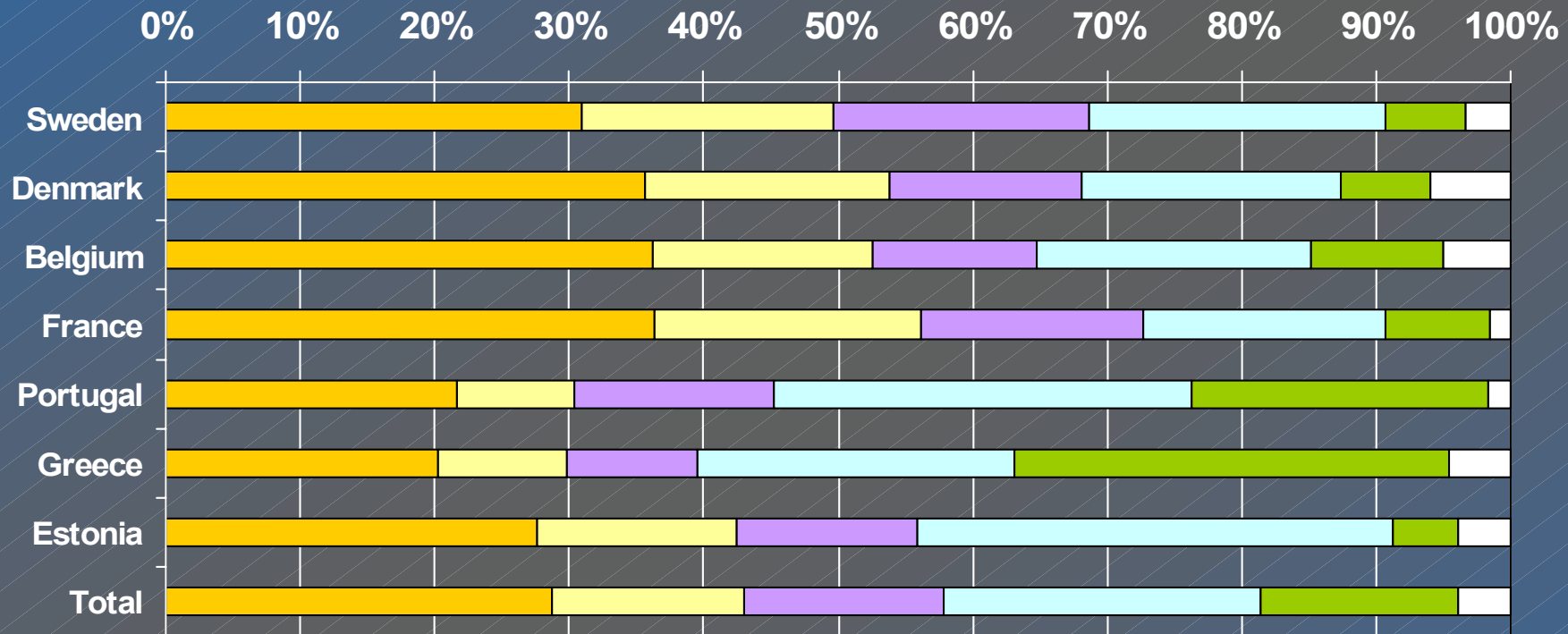


ESeC Classes

- 1 Large employers, higher grade professional, administrative & managerial occupations
- 2 Lower grade professional administrative & managerial and higher grade technician / supervisory occupations
- 3 Intermediate occupations
- 4 Small employer and self employed (excl agric.)
- 5 Self employed occupations (agriculture etc)
- 6 Lower supervisory and lower technician occupations
- 7 Lower services, sales & clerical occupations
- 8 Lower technical occupations
- 9 Routine occupations
- 10 Never worked and long-term unemployed



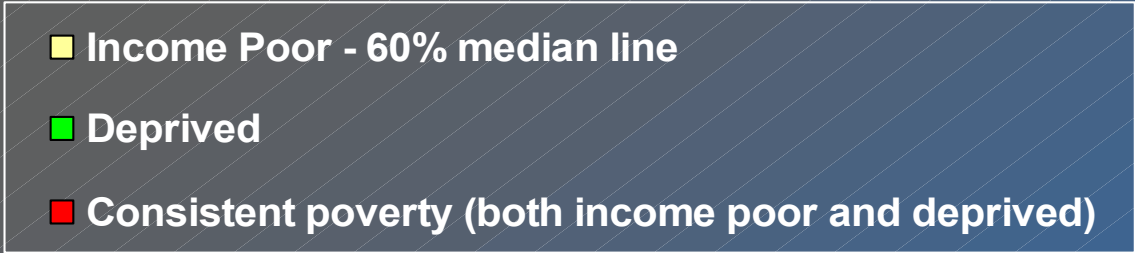
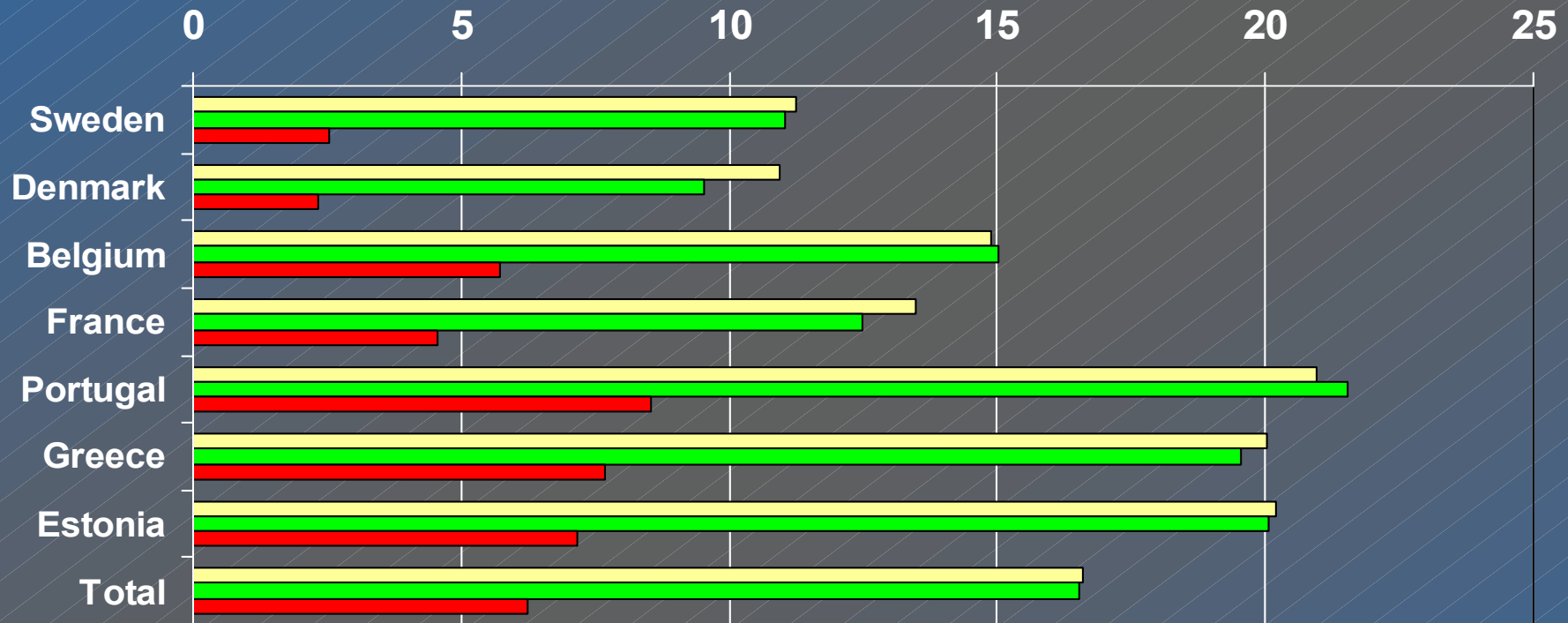
Distribution of ESeC (v4, SILC, 2004)



- 1&2 Large emp, prof./manag, hi sup/admin
- 3 Intermediate occupations
- 6&7 Lo supervis/technician/services/sales/clerical
- 8&9 Lo technical & routine occupations
- 4&5 Small emp & self emp. (inc. ag)
- 10 Never worked



Poverty and Deprivation by Country





Risk of Income Poverty and Deprivation by Social Class

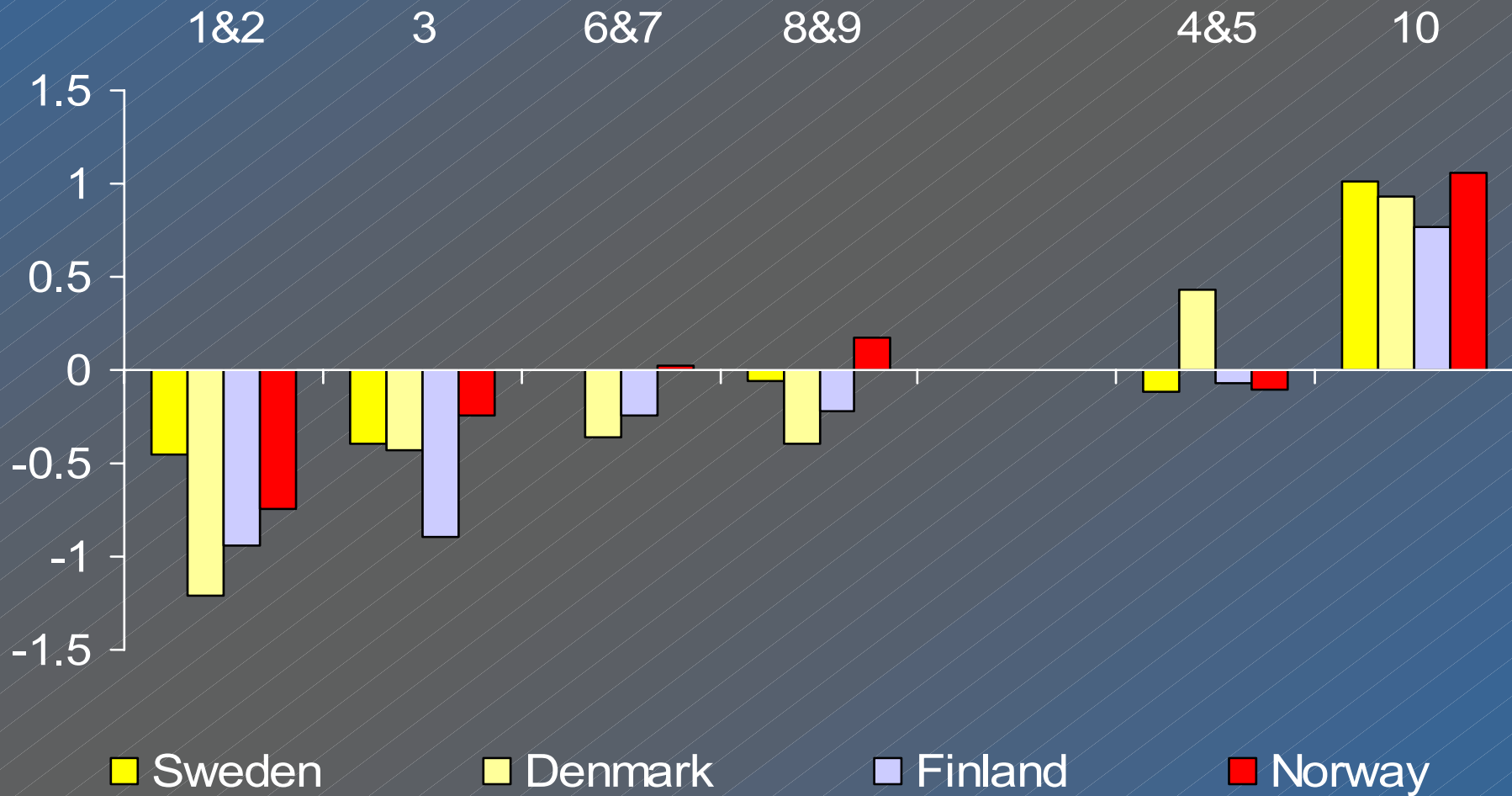
All Countries, Log Ratio to Average





Illustrated Country Differences by Social Class (1)

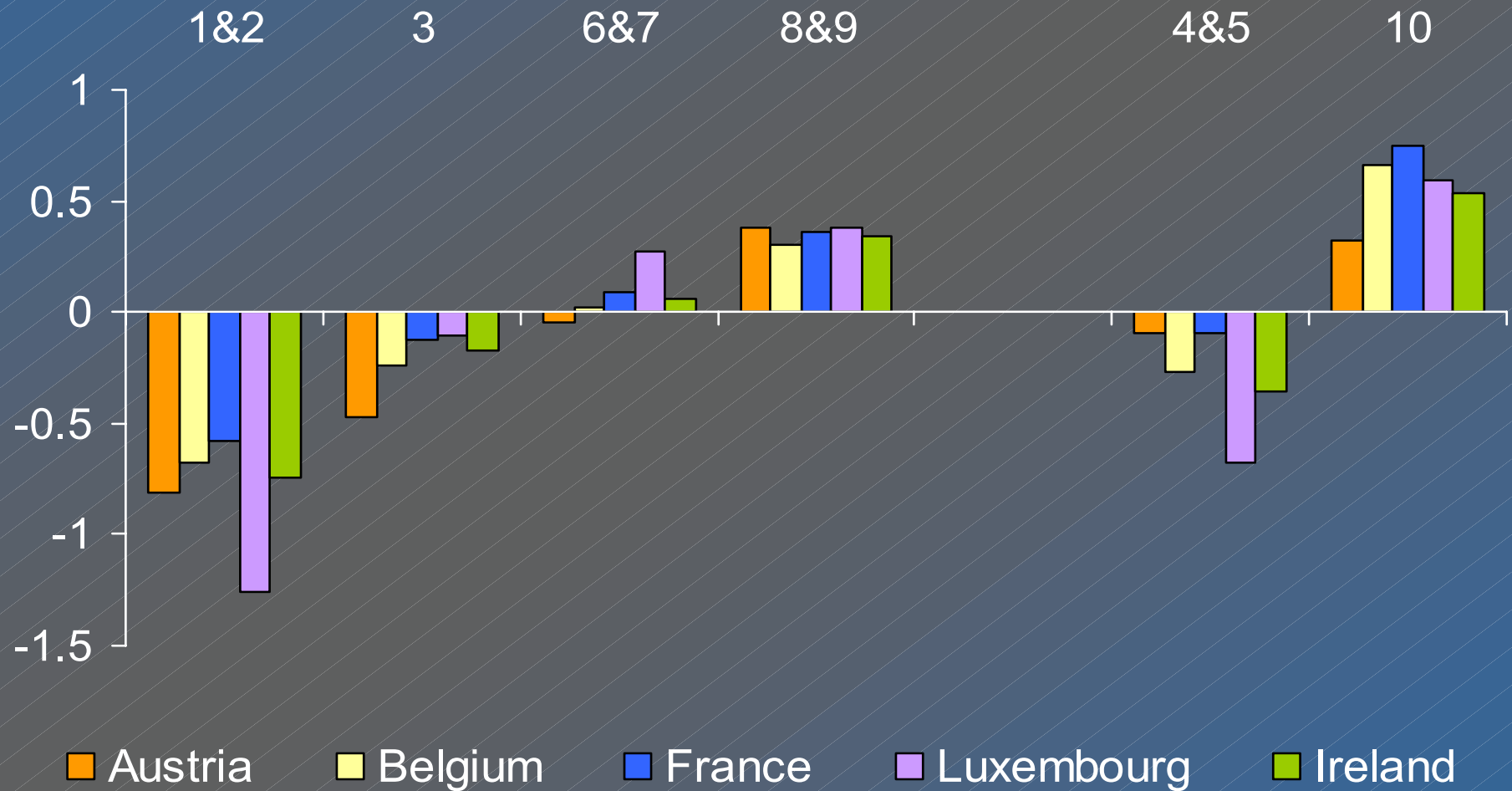
Consistent Poverty, Log Ratio to Average





Illustrated Country Differences by Social Class (2)

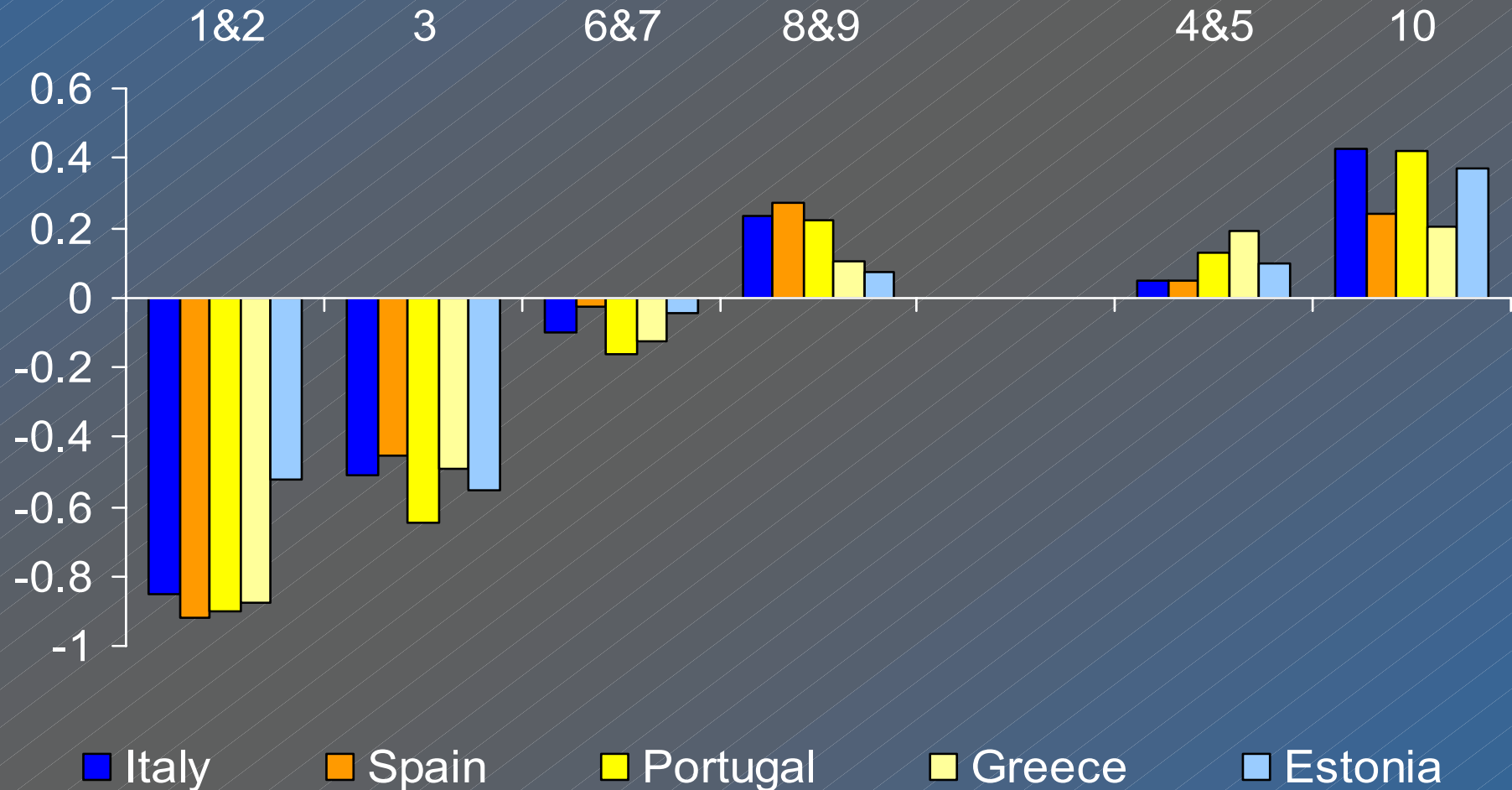
Consistent Poverty, Log Ratio to Average





Illustrated Country Differences by Social Class (3)

Consistent Poverty, Log Ratio to Average





Conclusions

- Results
 - Class differences more pronounced as focus shifts from income/deprivation only to consistent poverty;
 - But class differences not more pronounced as move from income poverty to deprivation
- Marked country similarities, but some country differences
 - Outcomes for self-employed most variable across countries
 - Self-employed fare worst in Southern countries and Estonia



Future Directions

- Work on measurement
 - Class 1 and class 5
- Cross-country class comparisons
 - Is there a ‘Europeanisation’ of labour markets that increases similarity in living standards?
 - Is this more true of some classes than others?
- Move from within-country perspective on deprivation to cross-country comparisons
 - Constant deprivation threshold