

UK: Gap between rich and poor wider than 40 years ago

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(PhysOrg.com) -- The independent National Equality Panel, in its report entitled *An Anatomy of Economic Inequality in the UK*, which is published today (27 January), argues that policy interventions are needed at each life-cycle stage to counter the way economic inequalities are reinforced over people's lives and often on to the next generation.

The Panel, which includes Professor Tariq Modood, director of the University's Centre for the Study of [Ethnicity](#) and [Citizenship](#), finds that:

- 'Deep-seated and systematic differences' remain between social groups across all of the dimensions the Panel examines, although some of the widest gaps have narrowed in the last decade, such as between the

earnings of women and men, or in the educational qualifications of different ethnic groups

- People's origins shape their life chances from cradle to grave. Differences in wealth are associated, for instance, with opportunities such as the ability to buy houses in the catchment areas of the best schools, to afford private education, or to help children onto the housing ladder. At the other end of life, wealth levels are associated with stark differences in life expectancy after 50
- A tenth of households aged 55-64 have wealth of under £28,000, but a tenth have over £1.3 million (including houses and pension rights). At that age, just before retirement, half of higher professional and managerial household have wealth of over £900,000, but half of households with routine jobs have less than £150,000
- Significant differences remain in employment and pay between men and women and between minority ethnic groups and the White British population, despite narrowed or reversed qualification gaps. For instance, women aged up to 44 have better qualifications than men on average, but the middle woman's hourly pay is 21 per cent below that of the middle man. Only women in the public sector with high qualifications have 'career progression' in wages after age 30
- Those from nearly every minority ethnic group are less likely to be in paid work than White British men and women. Recent research shows clear evidence of discrimination in who is offered job interviews depending on the apparent ethnicity of applicants' names shown in CVs
- But differences in outcomes between the more and less advantaged within each social group, however the population is classified into groups, are much greater than differences between social groups. Overall inequalities would remain wide even if all differences between groups

were removed

- Inequality in earnings and in income is high in Britain, both compared with other industrialised countries, and compared with thirty years ago. Over the most recent decade, earnings inequality has narrowed a little and income inequality has stabilised on some measures, but has increased on measures affected by the share going to the very top. The large inequality growth of the 1980s has not been reversed
- The Panel identifies sixteen areas - from early years to pensions - where policy interventions are needed to tackle inequalities.

The Panel's Chair, Professor John Hills, said that:

'Most people and nearly all political parties subscribe to the ideal of "equality of opportunity". But advantage and disadvantage reinforce themselves over the [life cycle](#). It is hard to argue that the large and systematic differences in outcomes which we document result from personal choices made against a background of equality of opportunity, however that is defined.'

Professor Tariq Modood added:

'Ethnic minorities are making progress in terms of entry into professional and managerial jobs but not in terms of jobs commensurate with one's qualifications. Moreover, the central problem in relation to racial equality and the labour market - in terms of persistence and scale of inequality - continues to be the unequal levels of unemployment between whites and the minorities.'

Other Bristol academics who contributed to the report include Professor Simon Burgess and colleagues on attainment through school by ethnicity, gender, and free school meals status and by religious affiliation; Dr Liz

Washbrook and colleagues on early years attainments; Dr Nabil Khattab on ethno-religious groups and education and occupation; and Sarah Cemlyn on the position of Gypsies and Travellers.

Provided by University of Bristol

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