

Research team

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Research questions

- What is the **extent** of in-work poverty (IWP) in Europe and what are the **basic mechanisms** leading to working poverty in different countries?
- What is the **role of institutions and policies** in shaping the different levels and patterns of IWP in the EU countries?
- Does IWP **persist** across time?
- How does **within-household inequality** affects the picture of IWP, notably in terms of respective positions and risks of women and men facing IWP?
- Are **migrants** more exposed than other workers to IWP risks?
- Can **'make-work pay' policies** and in-work benefits help to alleviate working poverty?
- What is the relation between the level of employment and working poverty?
- Are policies to expand employment justified in terms of alleviating poverty?

Constructing a common research framework

Working poverty is a complex multidimensional issue, combining the individual and household situations, and with generating mechanisms deeply embedded in the complex policy-mix determining welfare protection and labour market arrangements. It could be seen as a one of the main tensions between quantity and quality of job.

This collective research project explores in depth the many facets and challenges of working poverty in European countries using an integrated method. Comparative analyses of EU are combined with detailed country studies and thematic cross-cutting analyses. These different levels of analysis feed each other throughout the book by using common concepts in the understanding, definition and measurement of IWP, all of them based on the same statistical source: EU-SILC micro-data.

Main research findings

IWP is a problem present in all the European countries, although with a varying range of intensity. Even in a period of employment growth there has not been much sign of working poverty coming down.

IWP is not merely a matter of low earnings or low wages; two other basic mechanisms are also very important, household composition as well as low work intensity, at individual and household levels.

Both comparative and country case results reveal a dual pattern of IWP profile among the five countries regarding both the severity of IWP and the importance of basic mechanisms; a kind of split between Spain and Poland on the one hand, and the UK, France and Sweden on the other. This shows that labour market and institutional settings are also playing a role in the incidence of IWP. In our five country comparisons Spain and Poland had higher IWP as a result of lower labour force participation of partners, weak state support for caring, and high use of temporary contracts. Sweden and France had the lowest rates of IWP of the five, with the UK in the middle in spite of its large low pay sector.

IWP is a situation of high mobility, transitory for some workers but recurrent for others.

Inequalities within the household reflect situations and potential risks of IWP that are significantly more important for women than men. Migrants are also more at risk of being working poor than others. This should be considered when designing policy answers to IWP.

In-work benefits are used as a specific policy response to IWP, but we are critical of this approach. Though low work intensity is a very important factor in working poverty, activation policies and employment growth may not reduce IWP, especially where non-standard work, such as part-time work, temporary work and self-employment, forms most of the extra employment. Thus, improving job quality appears to be an important factor to reduce IWP.

Publication outputs

Working Poverty in Europe, Edited by Neil Fraser, Rodolfo Gutiérrez and Ramón Peña-Casas
Palgrave Macmillan, 2011 (Work and welfare in Europe series)

Introduction, by Neil Fraser, Rodolfo Gutiérrez and Ramón Peña-Casas
"A comparative analysis of in-work poverty in the European Union" by Alexander Goerne
"Worlds of working poverty: National variations in mechanisms" by Eric Crettaz and Giuliano Bonoli

Country chapters

"United Kingdom: Tackling poverty in a flexible labour market" by Neil Fraser
"France: In-work poor or poor due to lack of work?" by Guillaume Allègre
"Sweden: The impact of policy and labour market transformation" by Daniel Larsson and Bjorn Hallerod
"Spain: Persisting inequalities in a growing employment context" by Isabel García-Espejo and Rodolfo Gutiérrez
"Poland: When dual earnings is not enough" by Anna Safuta

Cross-cutting themes

"Mobility and persistence of in-work poverty" by Rodolfo Gutiérrez, Marta Ibáñez and Aroa Tejero
"Towards individualising gender in-work poverty risks" by Ramon Peña-Casas and Dalila Ghailani
"From wages to living standards inequalities at household level" by Guillaume Allègre
"In Europe and in work but at risk: Non EU immigrants under the poverty line" by Berta Álvarez-Miranda
"Taxes and benefits at the bottom of the wage scale: Making work pay for whom? With what consequences?" by Guillaume Allègre and Karen Jaehrling

Conclusion by Neil Fraser, Rodolfo Gutiérrez and Ramón Peña-Casas

WP03
Tensions between
Quality and
Quantity of Jobs

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