

Poverty in Switzerland: theoretical and empirical perspectives

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Conceptual aspects: Poverty in a rich country

- Most extreme forms of poverty have largely been reduced, but not eradicated (major precariousness)
- Poverty in a rich country = more **relative**
- People are poor compared with the «standard» way of life, the «middle class»
- But homeless people and people suffering other forms of major precariousness → **absolute** poverty

Indicators used

- **Relative poverty** can be measured:
 - **in relative terms**: the poverty threshold is linked to the «median» income or to the «average» living conditions of a household
 - **in absolute terms**: a value or living standard is fixed and the threshold remains constant in terms of its real value
- **Absolute** poverty is measured in absolute terms

Monetary thresholds

- Poor = living in a low-income household

Most frequently used poverty thresholds in Switzerland:

- 60 % of the equivalent median income
(relative)

- poverty threshold derived from the Swiss Conference for Social Welfare criteria
(absolute)

What challenges? Some examples

- **13.3 %** (relative threshold 60 %) vs. **7.7 %** (threshold Federal Statistics Office/ Swiss Conference for Social Welfare)
- **Retirees** less affected by material deprivation than those aged 18-64, but their «risk of poverty» is two times higher
- **Couples with 1 / 2 / 3 children**

No. children	(1) 60 % median income	(2) Material deprivation	Ratio (1)/(2)
1	9,2	5,1	1,8
2	12,9	2,4	5,4
3	22	9,8	2,2

Theoretical aspects

Very often, existing analyses are not based on a theoretical model

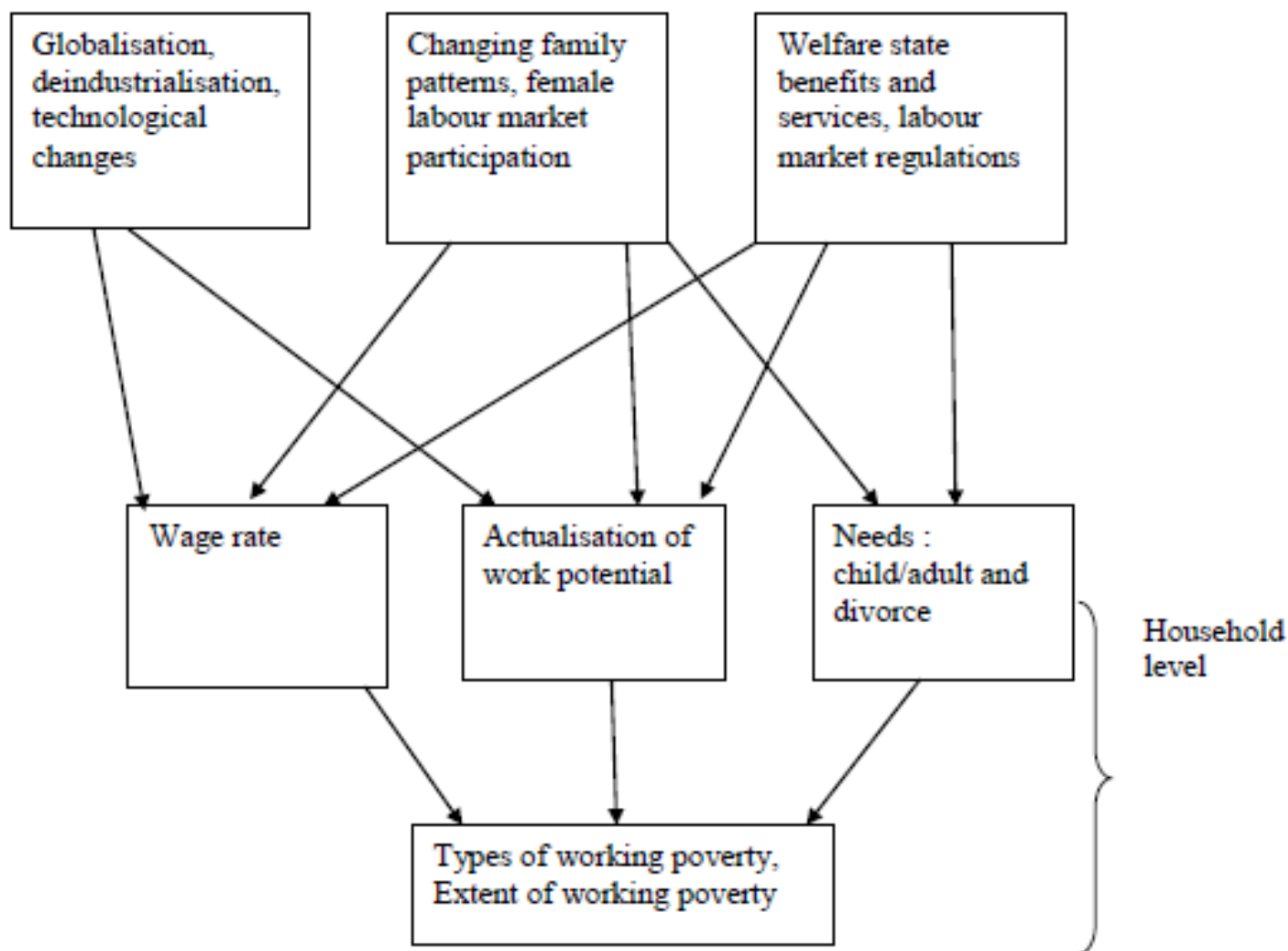
→ Definitions differ slightly in all regards, as do the figures

→ Sometimes sterile debates over measures to be taken

A theoretical model to create some order

- **3 mechanisms** lead into poverty
- At the individual level: a low income (remuneration level)
- At the household level: work quota
- At the household level: higher-than-average needs (children, divorce...)

Figure 1: Economic, sociodemographic and public policy factors and the three working poverty mechanisms



Other approaches

- **Multidimensional** approach: financial situation and material deprivation, of course,

But also

- Health status
- Social integration (club membership, frequency of contacts with friends and family, hobbies, etc.)
- Subjective aspects (satisfaction and happiness)

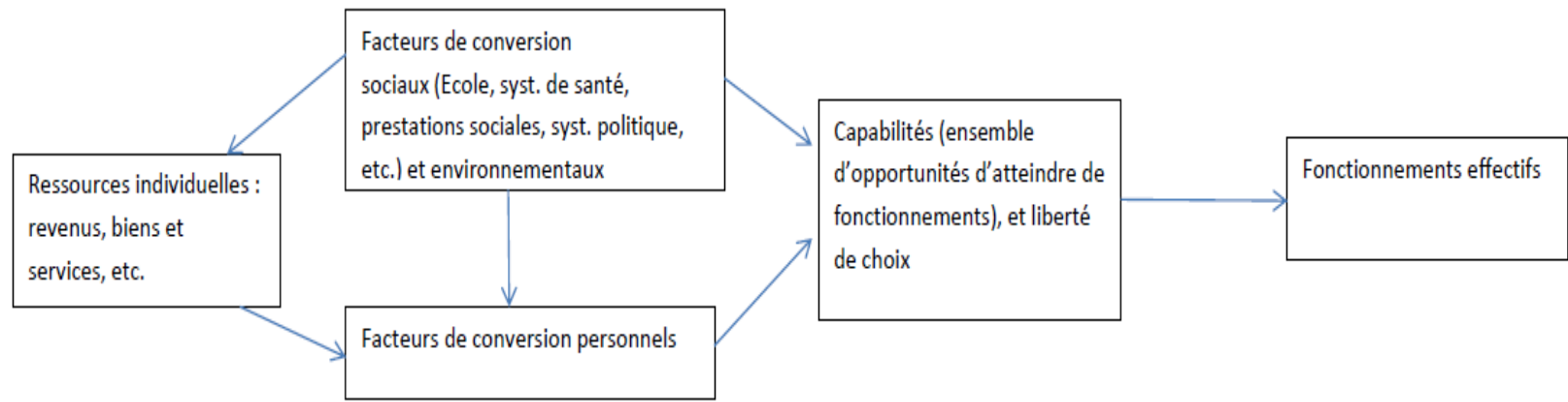
The best-known multidim. approach:

A. Sen and the “capability approach”

Amartya Sen:

- Started with works on **famines**. Showed the impact of political factors.
- Is interested in what people can do (**functionings and capabilities** = ensemble of factors)
- → well-nourished, good home, good health, considers own life as dignified, participates in social life, ...
- **Poverty = being deprived of elementary functionings**

A. Sen: Capabilities and functionings



Poverty in Switzerland

(threshold derived from Swiss Conference for Social Welfare norms)

T1 Seuils moyens de pauvreté pour différents types de ménage, 2012, en francs par mois

Type de ménage	Forfait pour l'entretien	Frais de logement moyens pris en compte	Autres frais	Seuils moyen de pauvreté ¹ (arrondi)
Personne seule	977	1132	100	2200
Parent seul avec 2 enfants de moins de 14 ans	1818	(1569)	100	(3500)
2 adultes sans enfant	1495	1368	200	3050
2 adultes avec 2 enfants de moins de 14 ans	2090	1745	200	4050

¹ Valeurs nationales moyennes; pour le calcul des indicateurs de la pauvreté, on a recours à des seuils de pauvreté individuels. Ce montant couvre le forfait pour l'entretien, les frais de logement et d'autres frais, comme les primes d'assurances etc. Il n'inclut pas les primes d'assurance-maladie, déjà déduites du revenu.

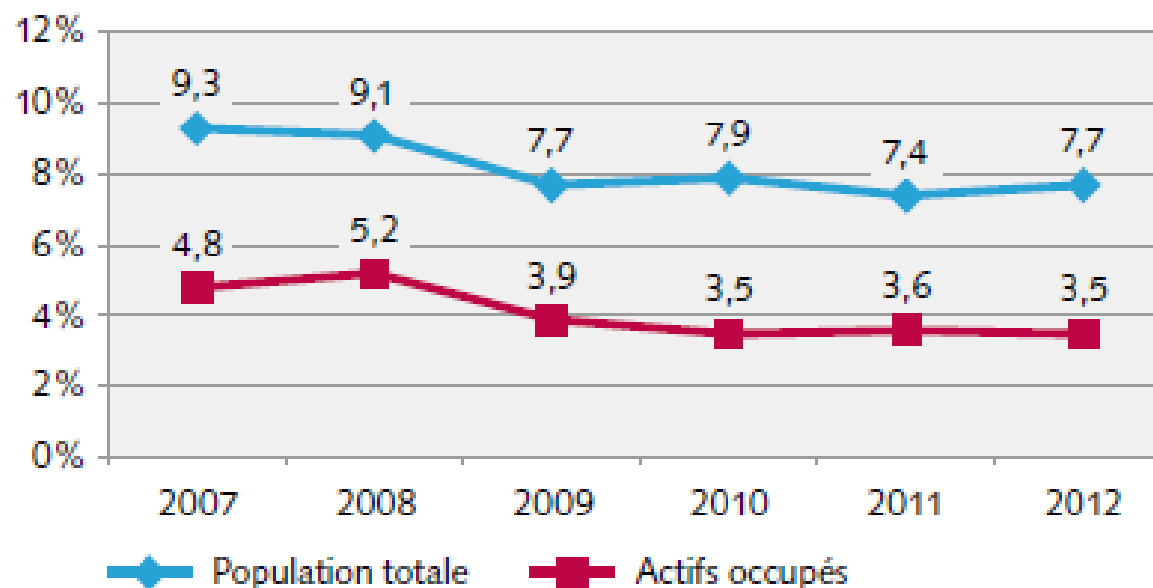
(x) Les valeurs entre parenthèses se basent sur un petit nombre de cas et doivent être interprétées avec précaution.

Source: OFS, Enquête sur les revenus et les conditions de vie SILC, version 14.04.2014, sans prise en compte du loyer fictif

Recent development

Evolution du taux de pauvreté, population totale et population active occupée, 2007–2012

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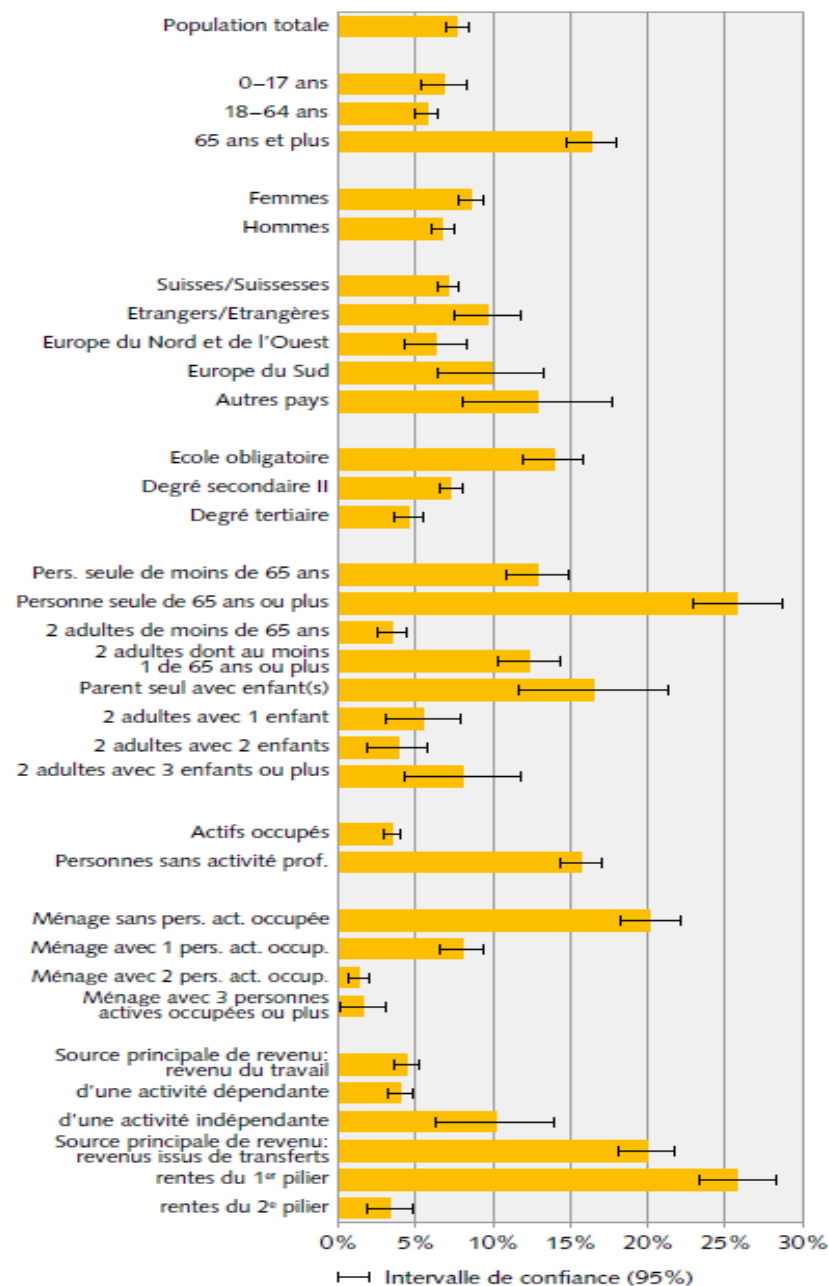
Les personnes actives occupées correspondent aux personnes âgées de 18 ans et plus qui, l'année précédant l'enquête, ont eu une activité dépendante ou indépendante durant plus de la moitié des mois (statut d'activité le plus fréquent).

Source: OFS, Enquête sur les revenus et les conditions de vie SILC,
sans prise en compte du loyer fictif

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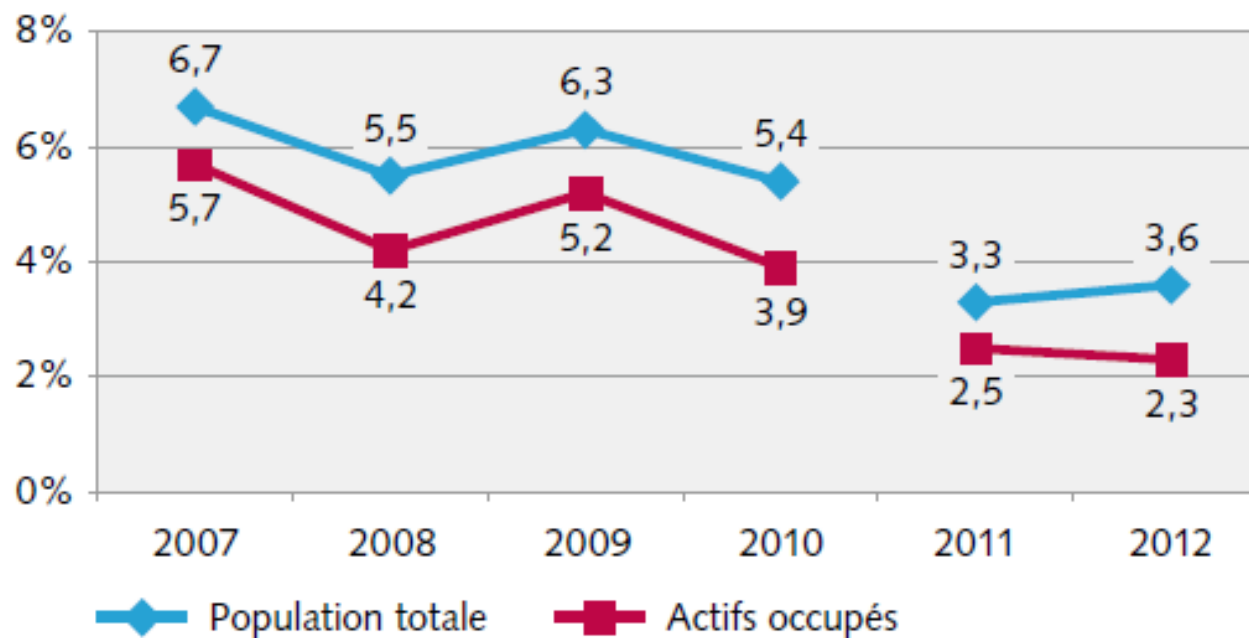
(threshold derived from Swiss Conference for Social Welfare norms)



Recent development

Evolution du taux de privation matérielle, population totale et active occupée, 2007–2012

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Quelques questions ayant été reformulées, les valeurs à partir de 2011 ne sont plus directement comparables avec celles des années précédentes.

Material deprivation

