

**Living Conditions Survey (LCS)**  
**Intergenerational transmission of poverty and welfare**  
Year 2011

**Main results**

- The at-risk-of-poverty rate of adults whose father has attained only a first-stage secondary education level, or lower, is 21.3%. This rate drops to 10.7% where the father has attained a level of higher education.
- 23.4% of the adults who lived in households that had difficulty meeting ends meet when they were teenagers are currently in a better situation.
- 13.5% of the adults who lived in households that had ease in making ends meet when they were teenagers are currently at risk of poverty.

The Living Conditions Survey (LCS) is an annual statistical operation aimed at households, and is carried out in all European Union countries. Pursuant to European Regulations, each year, a module aimed at specific aspects of living conditions is included in the survey. On this occasion, persons aged 25-59 years old are included, and they are asked for information regarding some characteristics of the households in which they lived when they were teenagers.

This information enables ascertaining the relationship between the socio-economic situation of these households in the past, and that of the households to which these adults currently belong. It must be borne in mind that this is not a comparison with a specific prior period, but rather, with the period when the interviewees were teenagers, and therefore, many generations are present.

**Poverty risk and current economically comfortable situation**

The economic situation is usually studied by comparing the income of each individual with the median income<sup>1</sup>. Thus, this considers that a person is at risk of poverty if her/his income per consumption unit is below the threshold of 60% of the median. **The percentage of the population at risk of poverty in 2011 was 21.8%.**

For the purposes of this study, the population group **in an economically comfortable situation** has likewise been determined, thus referring to that population whose income per

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<sup>1</sup> The median is the value that, ordering all individuals from lowest to highest income, leaves half of them below the aforementioned value, and the other half above it.

consumption unit are above 140% of the median of said income. **28.6% of the population was in this situation in 2011.** As an example, a household comprising two adults and two minors would be an economically comfortable situation if its net annual income (using the complete previous fiscal year, that is, the year 2010) exceeded **36,792 euros**.

## Current economic situation and educational level of the parents

Considering the educational level of the father, the at-risk-of-poverty rate of those persons aged 25 to 29 years old and whose father had only a first-stage secondary education level, or lower, was 21.3%. In turn, 10.7% of the persons whose father had attained higher education was currently below the threshold of the poverty risk.

30.2% of the adults whose father had a first-stage secondary education, or lower, were in an economically comfortable situation, as well as 57.6% of those whose father had attained higher education.

## Current economic situation of the adult, according to the educational level of the father. Year 2011. Percentages

Education of the father when the adult was an a teenager	Population at risk of poverty (%)	Population in an economically comfortable situation (%)
First-stage secondary education or lower	21.3	30.2
Second-stage secondary education	13.8	47.9
Higher education	10.7	57.6

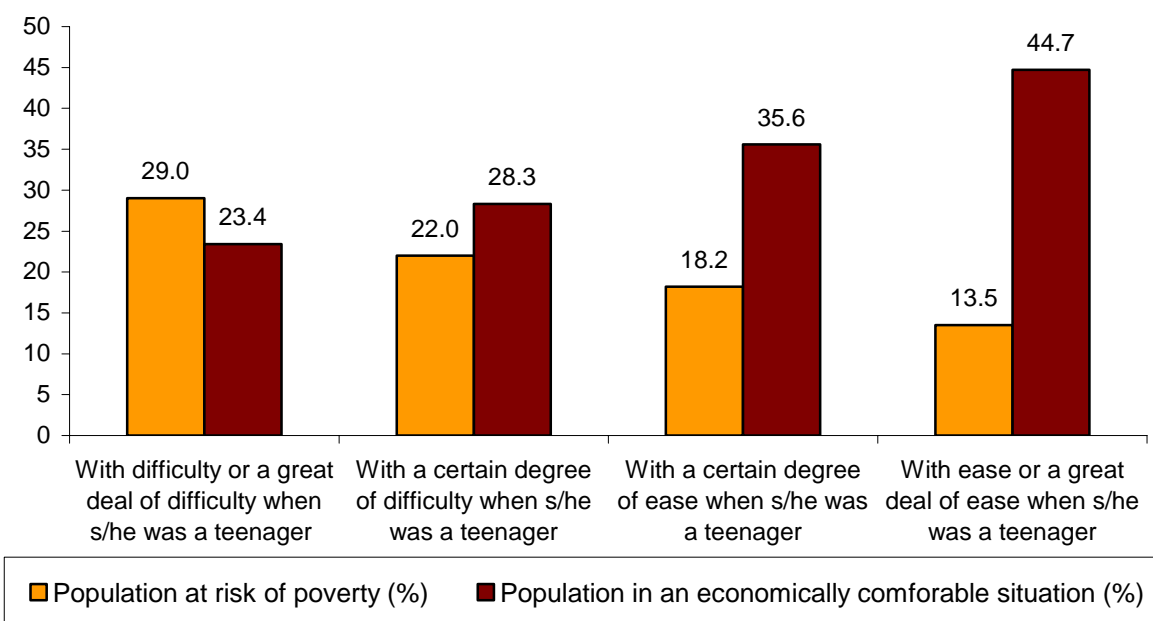
## Current economic situation according to the situation during adolescence

When considering the difficulty households have in making ends meet<sup>2</sup>, 29.0% of persons who belonged to households with difficulty or a great deal of difficulty in making ends meet when they were teenagers are now at risk of poverty. In the case of adults who belonged to households that had ease or a great deal of ease in making ends meet, this percentage dropped to 13.5%.

23.4% of the adults who belonged to households who had difficulty or a great deal of difficulty in making ends meet were now in an economically comfortable situation. This percentage rose to 44.7% where the household had ease or a great deal of ease in making ends meet.

<sup>2</sup> In order to ascertain the economic situation of the household to which the adult belonged during adolescence, the "difficulty in making ends meet" variable is used, since information is not available about household income for that period.

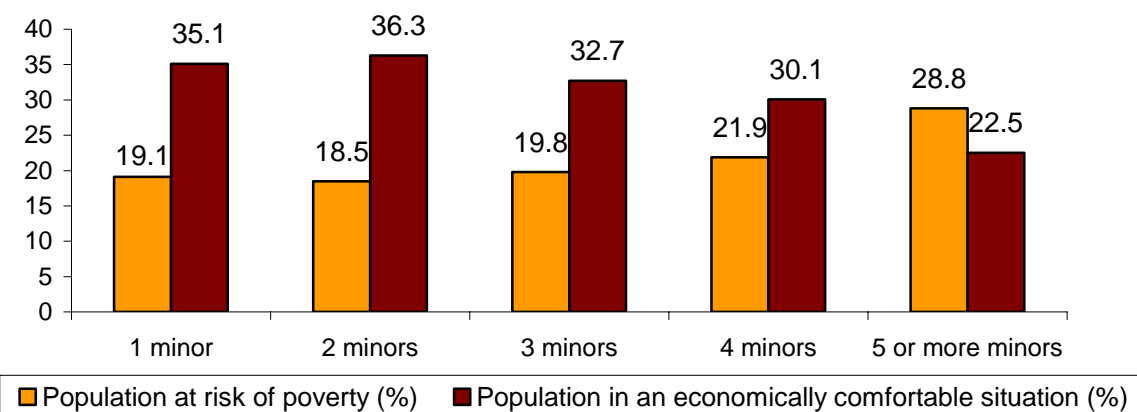
**Current economic situation of the adult, according to the difficulty of the household in making ends meet when s/he was a teenager. Year 2011. Percentages**



On considering the number of minors living in the households during adolescence, 28.8% of the adults aged 25 to 59 years old who had lived in households with 5 or more minors were in a poverty risk situation. This percentage decreased considerably in the case of households with one minor (19.1%).

In turn, 22.5% of the adults who had lived in households with 5 or more minors were in an economically comfortable situation, as well as 35.1% of those who had lived in households with only one minor.

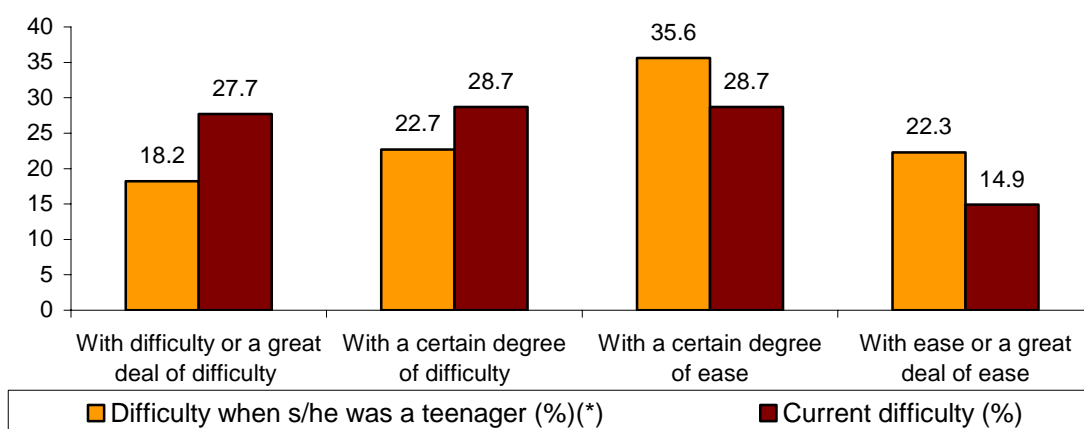
**Current economic situation of the adult, according to the number of minors in the household when s/he was a teenager. Year 2011. Percentages**



## Current difficulty in making ends meet, according to the situation during adolescence

The difficulties in making ends meet of the last generation were different from the currently difficulties. Thus, 27.7% of the adults aged 25 to 59 years old currently lived in households with difficulty or a great degree of difficulty in making ends meet. When they were teenagers, this percentage stood at 18.2%.

### Difficulty of the adult in making ends meet during adolescence and currently. Year 2011. Percentages



(\*) No data recorded in 1.1% of the cases

The difficulty of the household in making ends meet when the adult was an a teenager influenced the current difficulty of the adult in making ends meet. 49.0% of adults who had lived in households with difficulty or a great deal of difficulty in making ends meet currently had difficulty or a great deal of difficulty in making ends meet, whereas 7.3% of them had ease or a great deal of ease in making ends meet.

28.2% of the adults who had had ease or a great deal of ease in making ends meet when they were teenagers were currently in the same situation.

**Difficulty of the adult in making ends meet, according to the difficulty in making ends meet when s/he was an adolescent. Year 2011**

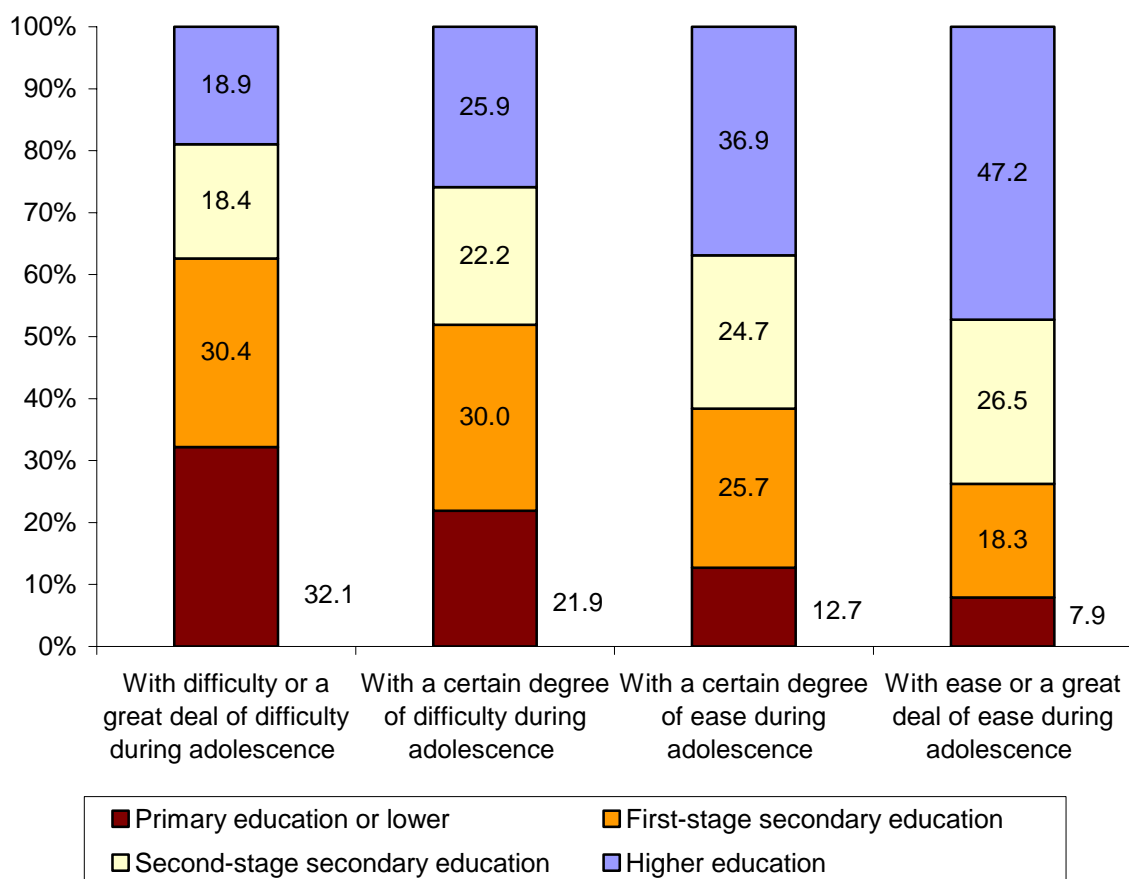
Horizontal percentages

Difficulty of the household in making ends meet when the adult was a teenager	With difficulty or a great deal of difficulty	With a certain degree of difficulty	With a certain degree of ease	With ease or a great deal of ease	Total
With difficulty or a great deal of difficulty during adolescence	49.0	26.6	17.1	7.3	100.0
With a certain degree of difficulty during adolescence	29.5	37.7	23.6	9.2	100.0
With a certain degree of ease during adolescence	21.4	27.5	37.1	14.0	100.0
With ease or a great deal of ease during adolescence	18.6	23.2	30.0	28.2	100.0

**Current educational level according the situation during adolescence**

The difficulty of a household in making ends meet when the adult was a teenager also influenced her or his educational level. Of the adults who had lived in households with difficulty or a great deal of difficulty in making ends meet when they were teenagers, 32.1% had attained primary education or lower, while 18.9% had attained higher education. In turn, 7.9% of those adults who had lived in households that had ease or a great deal of ease in making ends meet had primary education or lower, whereas 47.2% had higher education.

**Educational level of the adult, according to the difficulty of the household in making ends meet when s/he was a teenager. Year 2011. Percentages**



## Methodological note

**The Living Conditions Survey (LCS) for 2011 was conducted between the months of April and July 2011.** This is an annual statistical operation targeting households, and it is carried out in all European Union countries. These statistics are harmonised with the European Union (EU), supported by European Parliament and Council Regulation (EC) No. 1177/2003, of 16 June 2003, regarding community statistics on income and living conditions.

The module regarding the intergenerational transmission of poverty, carried out in all EU countries, has been filled out by those persons aged 25 to 59 years old, inclusive, that is, those persons born between 1951 and 1985.

The reference period for all of the questions in the module is that in which the interviewee was 14 years old.

The questions in the module refer to the family situation of the interviewee during the reference period. Information is collected regarding the economic situation of the household, the education and occupation of the parents during said period, the tenancy regime of the dwelling, etc.

### Net income per household consumption unit and personal income

Income per household consumption unit is calculated in order to take into account scale economies in households. It is obtained by dividing the total household income by the number of consumption units. These are calculated using the modified OECD scale, which assigns a weight of 1 to the first adult, a weight of 0.5 to remaining adults, and a weight of 0.3 to children under 14 years of age.

Once the income per household consumption unit is calculated, it is assigned to each of its members. This income per consumption unit of persons (or equivalent personal income) is used in calculating measurements of poverty risk.

### Distribution of the income per consumption unit. Year 2011. Percentages

Thresholds	Population below the threshold (%)	Population above the threshold (%)
40% of the median	10.1	89.9
60% of the median	21.8	78.2
140% of the median	71.4	28.6
160% of the median	79.2	20.8