

# Social inequality increases in Britain

Julie Hyland  
17 May 2000

A report by the Office for National Statistics (ONS) contains damning evidence of the growth of social inequality in Britain over the last few decades. Aptly titled "Social Inequalities", the report compares indices from the end of the 1970s up to April 1998.

This was the period in which the British ruling class abandoned their post-war policy of social reforms and class compromise in favour of dismantling welfare and driving down wages and conditions. The report is the first official survey of social inequality in Britain for 18 years, as previous Conservative governments had stopped publishing such information to hide the impact of their policies.

The report documents the social cost of these policies in the growth of inequality across virtually all groups—whether measured by sex and race or, most glaringly, social class. In the 1970s, the incomes of the richest 10 percent were three times higher than the poorest 10 percent. The 1980s and 1990s witnessed a significant rise in income inequality, as wealth was redistributed away from ordinary working people to the rich. By the end of the 1990s, income inequality was four times greater. In 1996, over half of all total wealth was owned by just 10 percent of the population, whilst the top 50 percent owned a staggering 93 percent of all wealth.

The rate of redistribution upwards accelerated particularly during the 1980s, when the incomes of the top 10 percent rose by 38 percent, compared to just a 5 percent rise for the bottom 10 percent. Following Thatcher's downfall in 1990 and her replacement as Tory leader by John Major, income inequality continued to rise.

Some 30 percent of households currently have no savings at all, leaving them almost entirely dependent on a welfare state that is being eroded.

Children have been the worst affected. Despite scientific advances in health care, infant mortality for

children of unskilled workers is still almost twice that of professionals, a tiny advance from the 1970s. Poverty and social class continue to be the overriding determinant in a child's future, in more ways than one. Currently some 3 million children are living in families below the poverty line—defined as an income of less than 60 percent of the median. Children from poor backgrounds—defined as those in receipt of free school meals—generally record lower educational exam results. In 1998, only a fifth of those 15- and 16-year-olds whose parents were employed in unskilled manual jobs achieved five GCSE (General Certificate of Secondary Education) passes at grades A to C, compared to two-thirds of children of the professional and managerial classes.

Some 4 million of Britain's 59 million population are from ethnic minority groups. The report confirms that there is a significant concentration of black and Asian people amongst the poorest sections of society. They generally fare worse in education and employment: black, Pakistani and Bangladeshi pupils do less well at school than white and Indian children, and suffer double the average unemployment rate.

The gap between men's and women's earnings remains as wide as ever. Average gross annual earnings for April 1999 show that men in full-time jobs earned about £23,000 a year—42 percent more than the average £16,000 earned by women in full-time work.

Between 1984 to 1999, the proportion of women of working age with jobs rose from 66 percent to 72 percent. Some 70 percent of mothers now work, compared with 60 percent in 1987. Women and young people make up the bulk of the cheap-labour workforce. Much female employment is concentrated in the more poorly paid sectors of the economy and about 45 percent of working women are employed on a part-time basis. The ONS report shows that women earn between 60 and 70 percent of the wage paid to

men in the same occupational group, and this is true across virtually every section of employment. Amongst full-time workers, hourly pay was lowest in 1999 amongst young workers—those legally excluded from the minimum wage rate.

The report also notes that the number of men out of work has grown in the past 20 years, and that whilst temporary contracts make up one-tenth of employment, two-fifths of men employed on them have been unable to find a permanent job.

The publication of "Social Inequalities" by the Labour government is intended as a confirmation of its intent to tackle poverty. Published for the "Social Exclusion Unit", Labour's oft-repeated claim is that only a small section of society is "excluded" from participating in an otherwise booming economy. To obscure the fact that government efforts to cut public spending by gutting welfare play an important role in the growth of poverty, the aim of the Social Exclusion Unit is to aid an individual's "inclusion" through various "self-help" programmes. This places the responsibility upon the individual and diverts attention away from the more fundamental, social roots of inequality. Whatever the intention of the government's report, however, the statistics documented by the ONS clearly show that inequality is rooted in class society—an appraisal that Labour has junked entirely.

The report claims that it was not possible, due to the period surveyed, to establish what impact the Labour government has had on poverty. But a previous study by the ONS gives some indication. An April survey recorded that inequality in income distribution rose from a rating of 33 in 1995-96 to 34 in 1996-97 under the last years of John Major's premiership, and to 35 under the first two years of Labour rule—the highest level since 1990 when Margaret Thatcher resigned. The ONS also reported that between 1995-96 and 1998-99 the share of overall household income accounted for by the poorest 20 percent of households fell.



To contact the WSWS and the  
Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**