

21.- Relative household prosperity

Key message

- Despite regional differences, average household income has increased over the last decade at European level.
- Living at the coast does not immediately imply a higher or lower income; this is mainly influenced by the type and scale of economic activities occurring at the coast, potentially determined by the presence of large cities that act as employment nodes.



New residential development along the coast in Sliema, Malta. Photo: S. Formosa

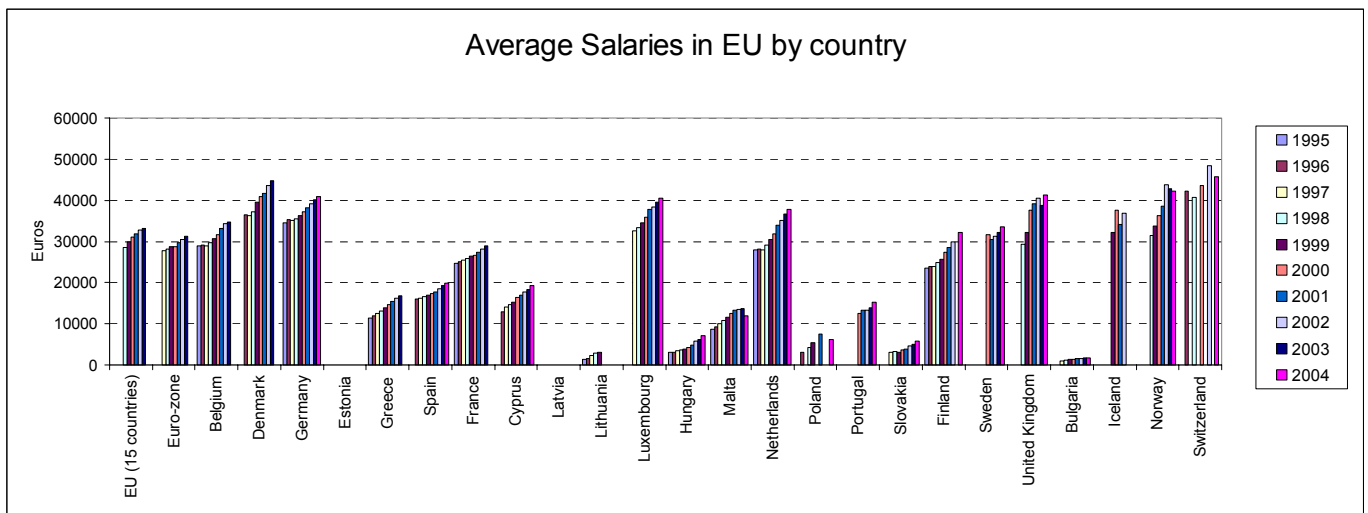
Why monitor relative household prosperity?

Monitoring the trends in coastal communities can help us identify whether coastal communities are any different from other areas. Information about household earnings and education qualifications will help us to paint a fairly detailed picture of the social structure of the coastal zone and to identify the level of social cohesion and equity present. This indicator belongs to the set of 3 indicators that monitor the progress towards achieving the fifth goal for coastal sustainability set out in the EU Recommendation concerning the implementation of ICZM - to reduce social exclusion and promote social cohesion in coastal communities. This indicator is aimed at providing a picture of the social and economic structure of the coastal zone and has 3 measurements - average household income; percentage of the population with a higher education qualification and the value of residential property. Two measurements are represented in this Indicator Fact Sheet as reliable data could not be obtained for all study areas of the DEDUCE project.

Results and assessment

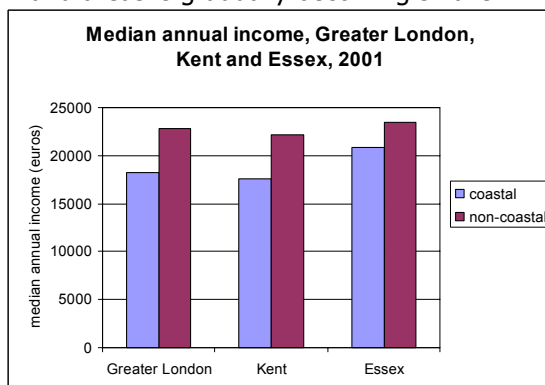
What does the indicator show from European to local level?

Existing data on household income is only available at national levels and does not allow for analysis between coastal and non-coastal areas at European level. Figures for 1995 to 2004 suggest an overall increase at national level for all member states. There are however regional differences, with the North being relatively more affluent than the Mediterranean and the new eastern European member states, with the latter earning the lowest average household income. These trends are reflected in the results from the DEDUCE partners. The median household income in coastal NUTS 5 in 2001 for Zeeland was more than €17,300; the average household income per inhabitant for Catalonia was around €11,800 and around €6,100 per annum in the Pomerian Voivodship (Poland).

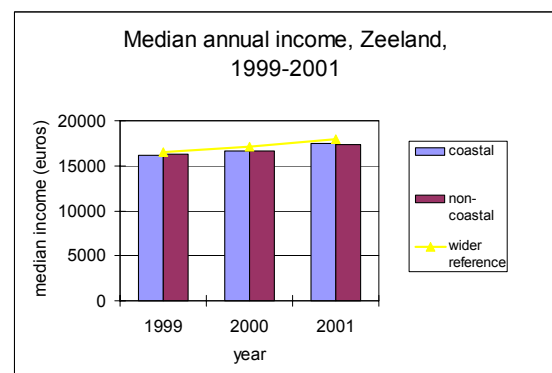


Source: EUROSTAT

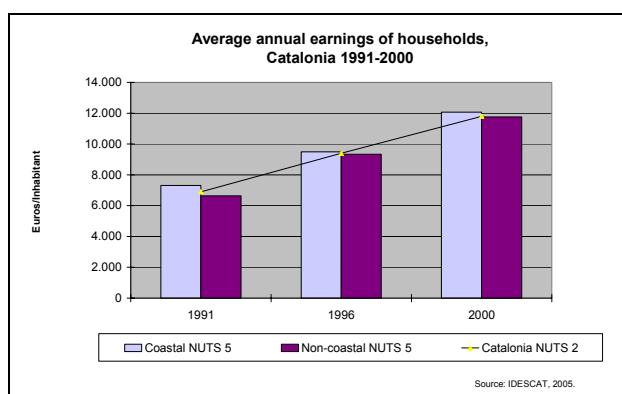
The Northern European coast even illustrates differences from west to east, where the coastal population in the southern North Sea is on average less affluent than the population in the hinterland, except for Zeeland. On the other hand, in Gdansk the reverse holds true, although the difference in earnings between the coastal and inland areas is gradually becoming smaller.



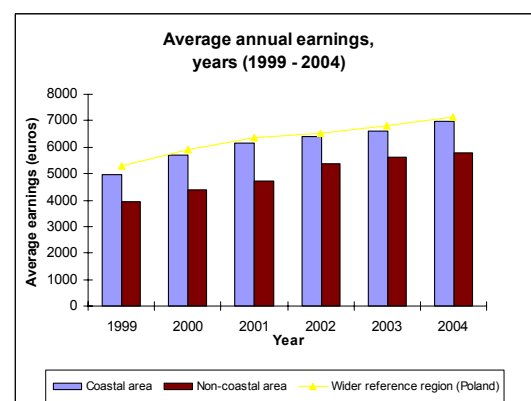
Source: Office for national statistics (ONS)



Source: Centraal Bureau voor de Statistiek (CBS)



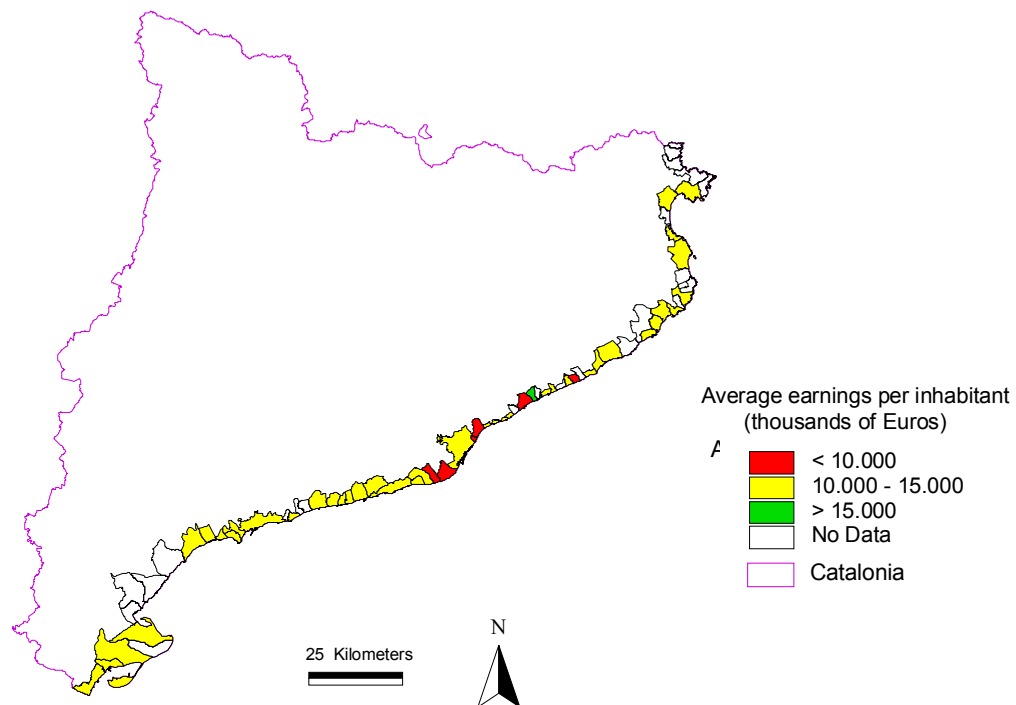
Source: IDESCAT



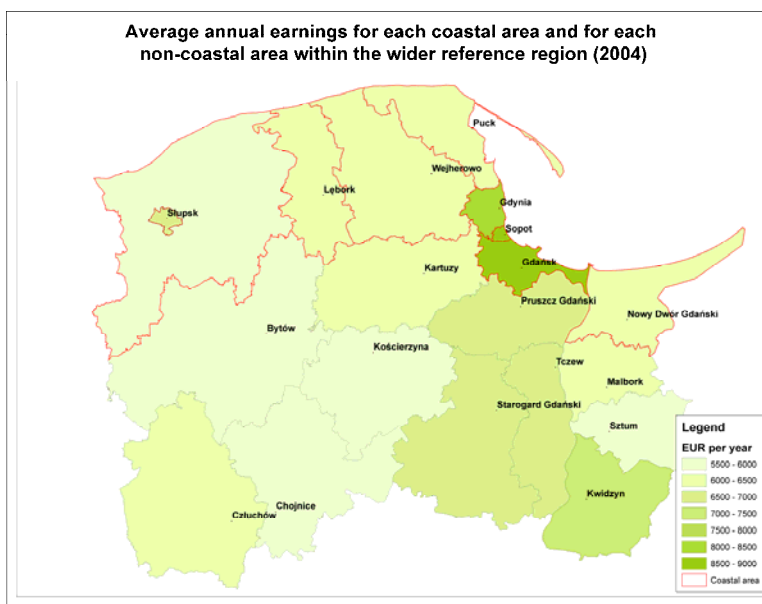
Source: Statistical Yearbook

Results and assessment

In the Pomerian Voivodship in the North of Poland and in Catalonia, the higher average income earners live along the Vistula river and in the coastal areas of Barcelona, respectively.



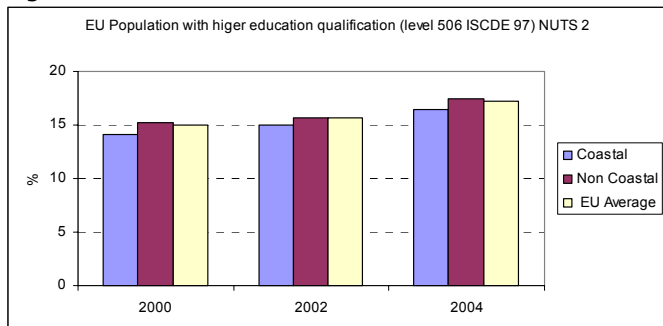
Source: Department of Housing and Environment, Gencat



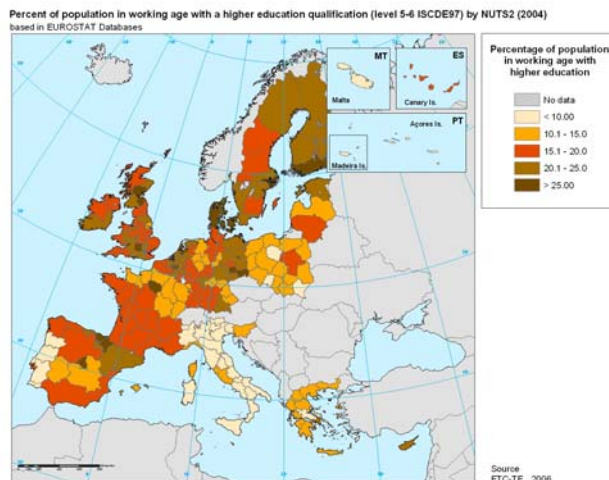
Source: Maritime Institute, Gdańsk

Results and assessment

More in-depth evaluation on the economic well-being of coastal communities can be obtained through information on educational achievement, assuming that the higher educational achievement the greater the prosperity of an individual or community. At European scale, coastal communities have a slightly lower population with higher education qualifications. The same trends were observed for the southern North Sea region.

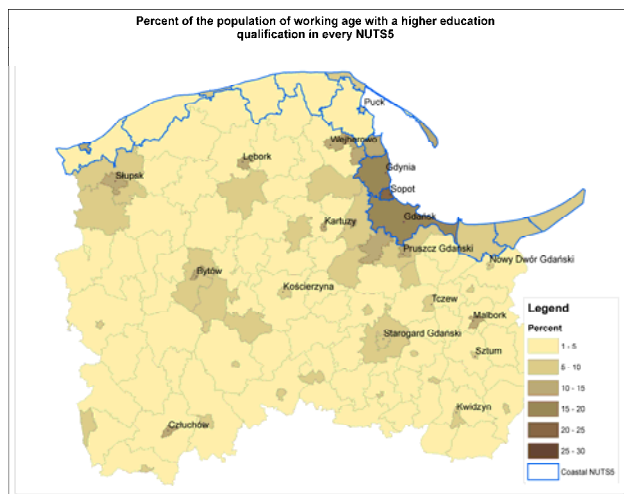


Source: EUROSTAT

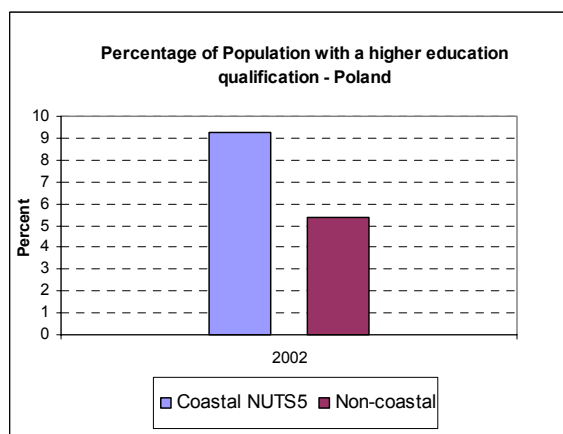


Source: ETC-TC

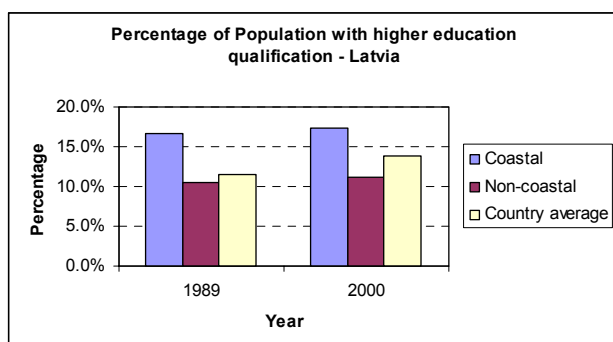
The opposite was observed for northern coastal zones of Poland and Latvia. What is interesting to note is that, as expected, the location of major cities influences the socio-economic status of the surrounding communities. Additional influence may also arise for the presence of universities and research institutes in those cities, such as in Gdansk and Riga.



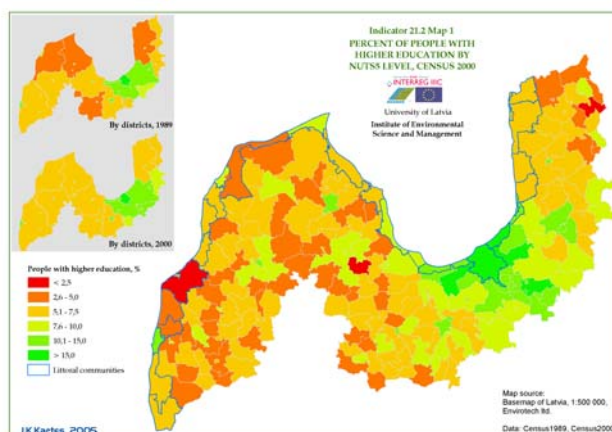
Source: Maritime Institute, Gdańsk



Source: National General Census



Source: Central statistical bureau

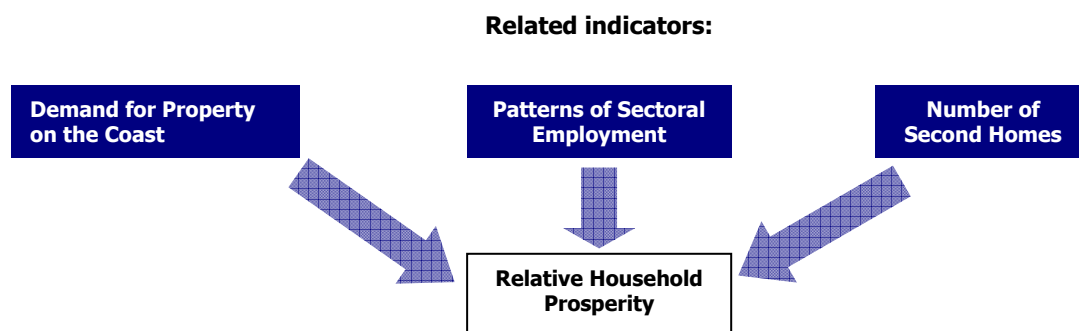


Source: University of Latvia

What are the implications for planning and managing the coastal zone?

The dynamic nature of a sustainable coastal zone also depends on the characteristics of its residents and working population. The EU ICZM recommendation calls upon member states to develop strategies for coastal zone management that are based on a functioning social and cultural system in local communities. Coastal planning should address the needs of the community to ensure that development measures are targeted towards ensuring better social cohesion and overall improvement of quality of life by matching the economic goals with the skills of the population. Information on the socio-economic status, demography and the type of economic activities that are undertaken by the working population provides a profile of coastal communities that can assist the strategic development of economic activities in coastal areas. It can also help coastal managers to better understand the existing coastal issues and suitable measures to address them through community involvement.

Living on the coast does not immediately imply a higher or lower income. This is mainly influenced by the type and scale of economic activities occurring on the coast, potentially determined by the presence of large cities that act as employment nodes. It is therefore very difficult to define what makes a successful coastal community within a sustainably managed coast. This is very site specific, varies from one coastal area to another even within the national level and would need to be evaluated together with the trends obtained from other indicators that address not only demand for property, patterns of sectoral employment and second homes but also conservation and environmental risks.



Further work needed

At EU level, there is a need for information to be available at least at the NUTS 2 level to allow comparison between coastal and non-coastal areas. DEDUCE partners suggest the need to identify acceptable threshold levels to determine what is considered to be a poor or rich household income to enable more comparison among different regions. The choice of the median as a parameter may not necessarily provide a true picture of household income and the average value may be more suitable. Since income calculations are different for the different countries, further work is required to determine a methodology for a common definition. For coastal zones where a particular industry is flag-shipped as the driver for economic development, such as tourism or shipping, a correlation needs to be established between the importance of that industry, in terms of employment and intensity of economic activity, with household income.

Data sources

ETC-TE

EUROSTAT 1995 - 2004

Province of West-Flanders (and local network of partners)

West-Flanders : Nationaal Instituut voor de Statistiek – NIS, West Flanders. 1994 – 2002

Nord-Pas-de-Calais :Institut nationale de la statistique et des études économiques – Insee, Nord-Pas-de-Calais. 1982, 1990, 1999

Zeeland: Centraal Bureau voor de Statistiek – CBS, Zeeland. 1999, 2000 and 2001

UK: Office for National Statistics, 2001

Department of Environment and Housing, Catalonia

IDESCAT (Statistical Institute of Catalonia) 1991 to 2002

Maritime Institute in Gdańsk

Statistical Yearbook of the Pomeranian Voivodship, vol.II, 2000, 2001, 2002, 2003, 2004,2005

National General Census of Population and Housing, Agricultural Census; The state and demographic, social and economic structure, Pomeranian Voivodship, Main Statistical Office 2003.

University of Latvia

Central statistical bureau of Latvia: Results of the 2000 population and housing census in Latvia. CD volume, Riga, 2002.

All-union Census 1989 results. Latvian SSR. Valsts Statistikas komiteja: Rīga, 1990.

Reliability of the indicator

As most of the data is collated by national statistical institutions it is considered to be reliable. There are elements that affect reliability in terms of comparability in that not all partners have the data at the same level. In addition the parameters to calculate household income may also differ. For example, in Catalonia data is calculated taking into account the economic resources of the families derived from the economic activity (remuneration of wage-earnings, gross stock of production), and the government tax and social benefits. On the other hand at the European level the salaries represented are only for industries and services.

