

5 Poverty and Social Exclusion

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Indicator 5.1 Poverty and Deprivation (Republic of Ireland)

Indicators defined

At risk of poverty rate: The proportion of individuals with disposable income of less than 60% of median income.

(Enforced) Deprivation rate: The proportion of individuals who cannot afford two or more items from a list of 11.

Consistent poverty rate: The proportion of individuals who are at-risk of poverty and also experiencing enforced deprivation.

Reference period for latest available data used in this indicator is 2011. Next update, for the year 2012, due in late 2013.

Chart 5.1 Trends in poverty and deprivation, 2004-2011 (%)

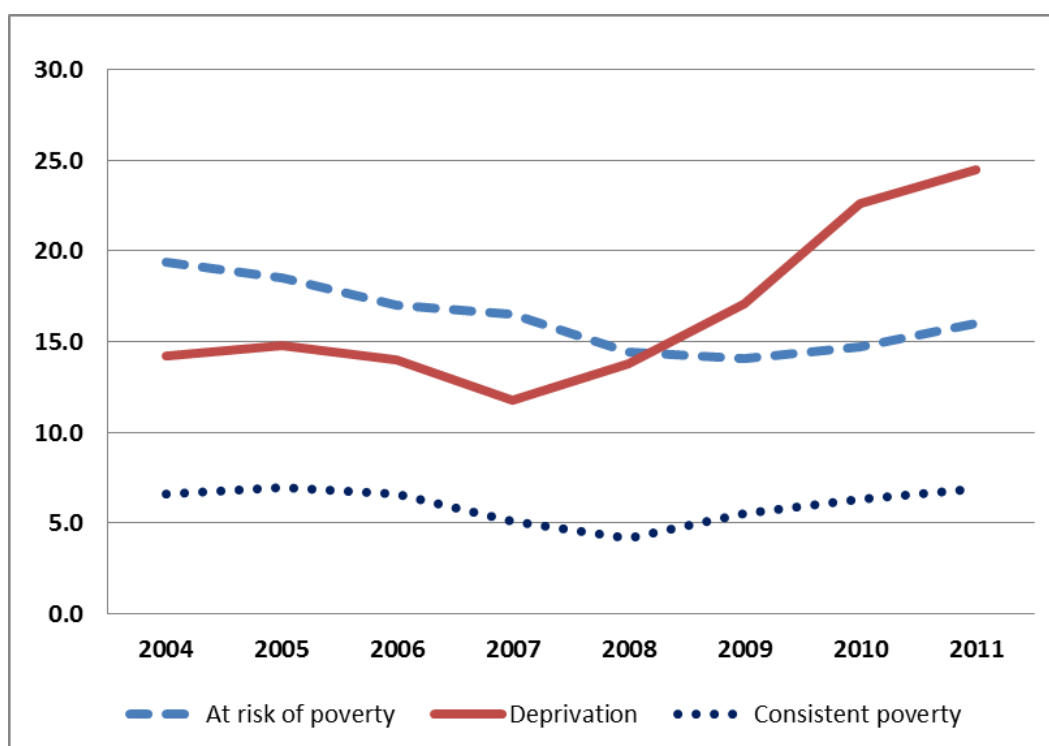


Table 5.1 Poverty and Deprivation rates for the Republic of Ireland as a % of the population, 2004-2011

	2004	2006	2007	2008	2009	2010	2011
At risk of poverty	19.4	17.0	16.5	14.4	14.1	14.7	16.0
Deprivation	14.2	14.0	11.8	13.8	17.1	22.6	24.5
Consistent poverty	6.6	6.6	5.1	4.2	5.5	6.3	6.9

Interpretation

The at risk of poverty or 'relative income poverty' rate fell from 2004 to 2009. However, the rate increased from 14.1% in 2009 to 16% in 2011, despite the fact that the threshold level (60% of median disposable income) declined by 10% between 2009 and 2011 (from €12,064 to €10,889); this reflects an overall decline in incomes over that period.

Enforced deprivation, measuring the number of individuals deprived of two or more basic items (see technical notes for list) fell to as low as 11.8% in 2007. However, it has increased since as the impact of the recession hit households. By 2010 22.6% of the ROI population were experiencing deprivation. Between 2009 and 2011, the increase in deprivation was predominantly among those not at risk of poverty, up from 13.5% in 2009 to 21% in 2011. During 2010, the main items where people experience enforced deprivation were: 'unable to afford to replace any worn out furniture' (21.7%); 'unable to afford a morning, afternoon or evening out in the last fortnight' (21.1%); and 'unable to afford to have family or friends for a drink or meal once a month' (14.8%).

The rate of consistent poverty measures the sub-section of the population who are at risk of poverty and experiencing deprivation. This measure is the focus of the government's official poverty target which aims to reduce those experiencing consistent poverty to 4% by 2016 and to 2% or less by 2020. Between 2004 and 2008 the rate fell, but it has since increased to 6.9% in 2011.

Technical Notes

The data used to compile these figures comes from the CSO's Survey on Income and Living Conditions (SILC) and has been described in the technical notes accompanying indicator 4.2a. The at risk of poverty threshold is calculated as 60% of median equivalised disposable income.

The eleven indicators used to measure deprivation are: Without heating at some stage in the last year; Unable to afford a morning, afternoon or evening out in the last fortnight; Unable to afford two pairs of strong shoes; Unable to afford a roast once a week; Unable to afford a meal with meat, chicken or fish every second day; Unable to afford new (not second-hand) clothes; Unable to afford a warm waterproof coat; Unable to afford to keep the home adequately warm; Unable to afford to replace any worn out furniture; Unable to afford to have family or friends for a drink or meal once a month; Unable to afford to buy presents for family or friends at least once a year.

Source(s)

CSO (2013) Survey on Income and Living Conditions – 2011 & revised 2010 results. Dublin, Stationery Office.

CSO SILC website: www.cso.ie/en/silc/

Indicator 5.2 Child Poverty (Republic of Ireland)

Indicators defined

Children at risk of poverty: The proportion of children living in households whose equivalised disposable income is less than 60% of median income.

Children in consistent poverty: The proportion of children living in households who are at-risk of poverty and also experiencing enforced deprivation.

Children are defined as being aged between 0-17 years.

Reference period for latest available data used in this indicator is 2011. Next update, for the year 2012, due in late 2013.

Chart 5.2 Child Poverty, 2006-2011 (%)

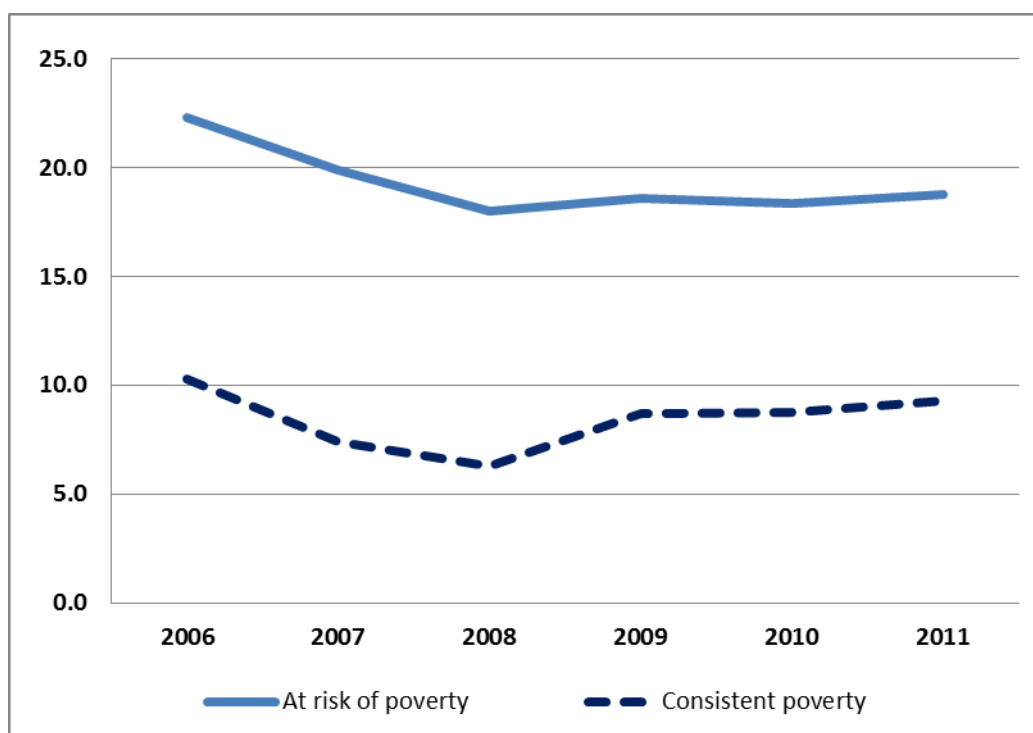


Table 5.2 Child poverty for ROI as a % of the population of children aged 0-17yrs, 2006-2011

	2006	2007	2008	2009	2010	2011
At risk of poverty	22.3	19.9	18.0	18.6	18.4	18.8
Consistent poverty	10.3	7.4	6.3	8.7	8.8	9.3

Interpretation

The proportion of the ROI's children living in households whose income is below the 60% of median income poverty line has experienced limited change over the past few years. While the years 2006-07 recorded a decrease from 22.3% to 19.9%, by 2011 almost 1 in every 5 children (18.8%) lived in a household experiencing relative income poverty.

Over the period 2006-2008 the proportion of children living in households experiencing both relative income poverty and deprivation (consistent poverty) decreased from 10.3% to 6.3%. However, since then it has increased and in 2011 9.3% of the ROI's children experienced consistent poverty.

Technical Notes

The data used to compile these figures comes from the CSO's Survey on Income and Living Conditions (SILC) and has been described in the technical notes accompanying indicator 4.2a. The at risk of poverty threshold is calculated as 60% of median equivalised disposable income. The items used to measure enforced deprivation have been described in the technical notes accompanying indicator 5.1.

Prior to 2006 the CSO measured child poverty for children aged 0-14yrs and found that in both years 21.2% of children in this age group lived in households whose income is below the 60% of median income poverty line. The consistent poverty rate for this age group was 9.5% in 2006 and 10.2% in 2007.

Source(s)

CSO (2013) Survey on Income and Living Conditions – 2011 & revised 2010 results.
Dublin, Stationery Office.

CSO SILC website: www.cso.ie/en/silc/

Indicator 5.3 In Work-Poverty (Republic of Ireland)

Indicators defined

Workers at risk of poverty: The proportion of individuals whose principle economic status is 'at work' and whose equivalised disposable income is less than 60% of median income.

Workers in consistent poverty: The proportion of individuals whose principle economic status is 'at work' and who are at-risk of poverty and also experiencing enforced deprivation.

Reference period for latest available data used in this indicator is 2011. Next update, for the year 2012, due in late 2013.

Chart 5.3(i) In-work Poverty, 2004-2011 (%)

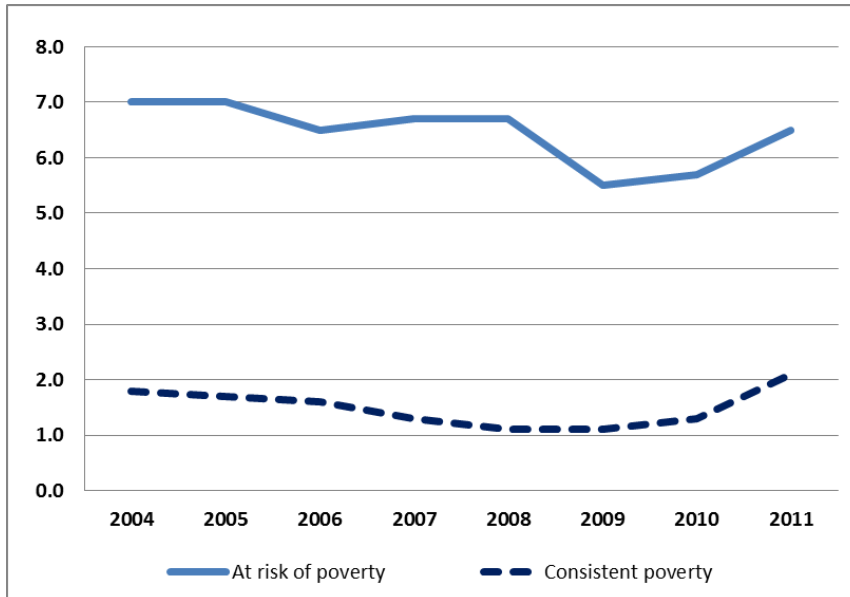


Chart 5.3(ii) Composition of those at risk of poverty 2011 (%)

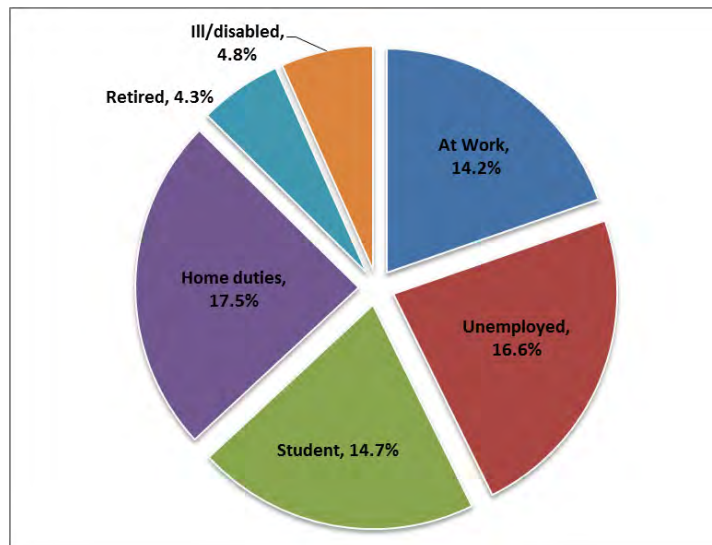


Table 5.3(i) In-work poverty in the ROI, 2004-2011

	2004	2006	2007	2008	2009	2010	2011
At risk of poverty	7.0	6.5	6.7	6.7	5.5	5.7	6.5
Consistent poverty	1.8	1.6	1.3	1.1	1.1	1.3	2.1

Table 5.3(ii) Composition of those at risk or poverty in the ROI, 2009-2011

	2009	2010	2011
At Work	14.3%	13.5%	14.2%
Unemployed	12.9%	15.1%	16.6%
Student	14.6%	12.3%	14.7%
Home duties	18.0%	17.3%	17.5%
Retired	4.7%	4.4%	4.3%
Ill/disabled	6.4%	5.4%	4.8%

Note: The percentages do not total to 100% as those in poverty and aged under 16 years are excluded.

Interpretation

Between 2004 and 2008 there was limited change in the proportion of individuals whose principle economic status is 'at work' and who were living at risk of poverty. However, by 2009 the rate dropped to 5.5% before increasing to 6.5% in 2011. Similarly, consistent poverty levels among those at work declined over much of the period before increasing once again in 2010 and 2011.

Despite the fact that the rate of relative income poverty (6.5%) and consistent poverty (2.1%) is low among those whose principle economic status is work, the fact that the working population comprises a large part of the population aged 16 years and above results in a high number of workers being in poverty. Using the 2011 data, when poverty among those aged 16 years and above is decomposed by principle economic status, those at work (the working poor) account for 14.2% of people at risk of poverty.

Technical Notes

See notes for indicators 4.2a, 5.1 and 5.2. The composition of those at risk of poverty is decomposed by principle economic status for all those aged 16 years and above. The tables and charts above exclude figures for children under 16 years who are living in households that are at risk of poverty.

Source(s)

See all the sources listed under indicator 4.2a.

Indicator 5.4 Poverty and Deprivation by Gender (Republic of Ireland)

Indicators defined

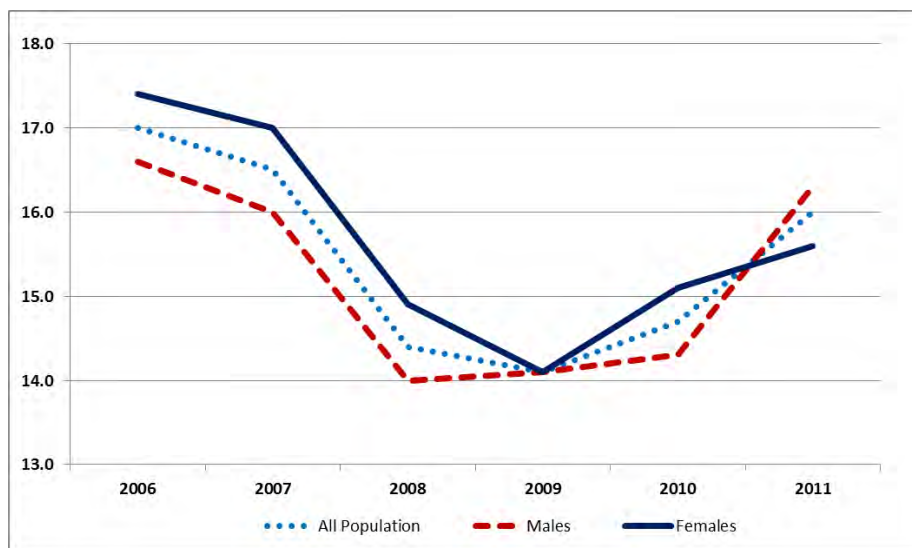
At risk of poverty rate: The proportion of individuals with disposable income of less than 60% of median income – data for all the population any by gender.

(Enforced) Deprivation rate: The proportion of individuals who cannot afford two or more items from a list of 11 – data for all the population any by gender.

Consistent poverty rate: The proportion of individuals who are at-risk of poverty and also experiencing enforced deprivation – data for all the population any by gender.

Reference period for latest available data used in this indicator is 2011. Next update, for the year 2012, due in late 2013.

Chart 5.4a Trends in poverty by gender, 2006-2011 (%)



Charts 5.4b/5.4c Deprivation and Consistent Poverty by gender, 2011 (%)

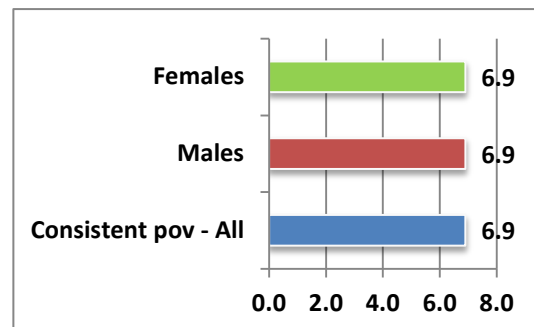
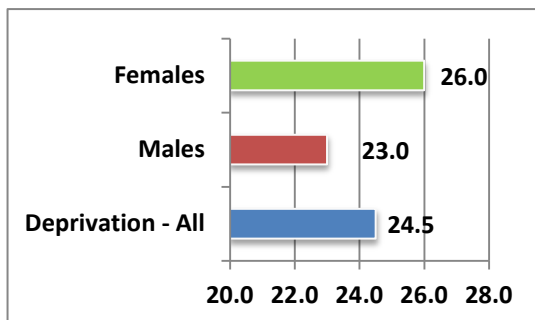


Table 5.4 Poverty and Deprivation by Gender, 2006-2011 (%)

	2006	2008	2009	2010	2011
At risk of poverty – All*	17.0	14.4	14.1	14.7	16.0
Males	16.6	14.0	14.1	14.3	16.3
Females	17.4	14.9	14.1	15.1	15.6
Deprivation – All*	13.8	13.8	17.1	22.6	24.5
Males	n/a	13.3	16.8	21.7	23.0
Females	n/a	14.3	17.7	23.5	26.0
Consistent Poverty – All*	6.5	4.2	5.5	6.3	6.9
Males	6.4	4.0	5.5	5.8	6.9
Females	6.6	4.5	5.4	6.8	6.9

Note: * All refers to the rate for the population of the ROI.

Interpretation

As the tables and charts for this indicator show, males have a higher risk of poverty than females (in 2011) while females experience a higher level of deprivation than males.

Technical Notes

See indicator 5.1.

Source(s)

CSO (2013) Survey on Income and Living Conditions – 2011 & revised 2010 results.
Dublin, Stationery Office.

CSO SILC website: www.cso.ie/en/silc/

Indicator 5.5 Poverty in Northern Ireland

Indicator defined

A household is counted as being in poverty if its income is less than 60% of the median UK household income adjusted for household size and composition.

Poverty rates are estimated before housing costs (BHC) and after housing costs (AHC) where these costs include rent, service charges and mortgage interest payments.

Reference period for latest available data used in this indicator is the period 2010/11. Next update due in mid-2013.

Chart 5.5 Trends in poverty in Northern Ireland and the UK, Before Housing Costs (%)

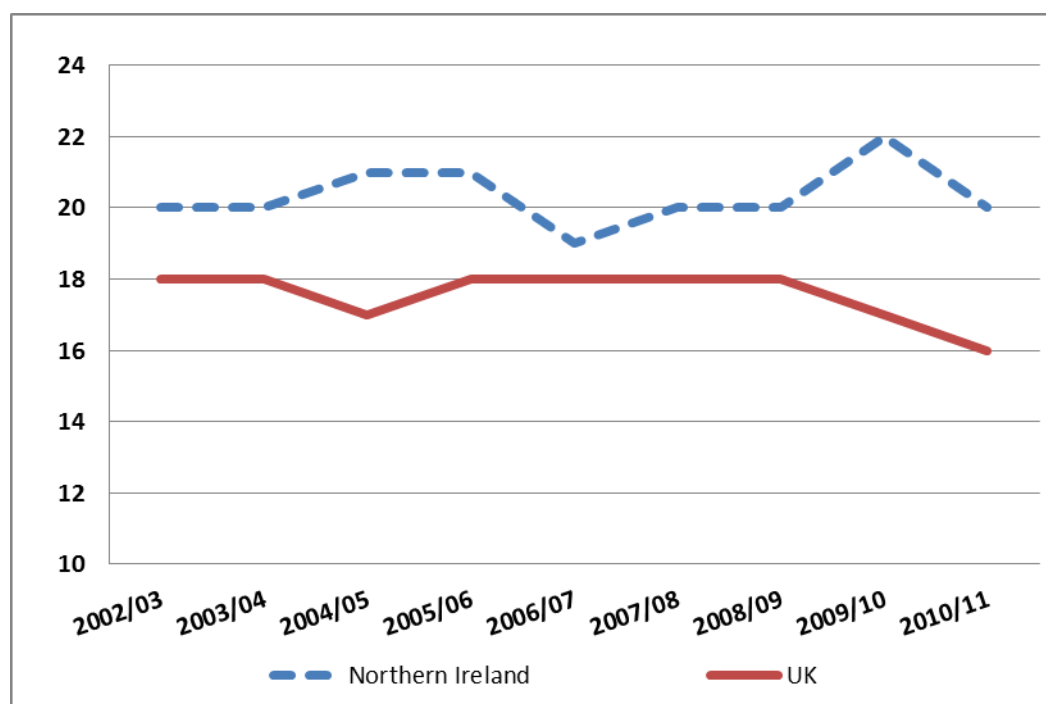


Table 5.5 Trends in Poverty in Northern Ireland, Before (BHC) & After (AHC) Housing Costs as % of the population, 2002-2011

	02-03	05-06	06-07	07-08	08-09	09-10	10-11
Population BHC	20	21	19	20	20	22	20
Children BHC	25	25	22	24	24	27	21
Pensioners BHC	24	28	28	27	30	24	22
Population AHC	21	21	19	21	20	23	20
Children AHC	27	29	23	27	26	29	24
Pensioners AHC	18	17	21	21	20	18	15

Interpretation

Using data from the UK Family Resources Survey *Households Below Average Income* dataset, the Northern Ireland Statistics and Research Agency (NISRA) provide details on the levels and trends in poverty in Northern Ireland. The data for this indicator is for the period from 2002-2011 and are calculated for the UK financial year April-March.

Over time the level of poverty in Northern Ireland (before housing costs) has remained reasonably static at around one fifth of the population. In 2011, there were 355,100 people in Northern Ireland living on an income below the poverty line. The Northern Ireland rate is slightly higher than that for the UK. Within the population, the level of child poverty is high, with between one in every four or five children in Northern Ireland living in poverty – the number for 2010/11 is 93,000 children. Among pensioners, one in every five (62,800 in 2010/11) live on an income below the poverty line.

Technical Notes

The data used to compile these figures comes from the Department of Work and Pensions' study entitled '*Households Below Average Income*'. Poverty is calculated before and after housing costs where the household income is equivalised, or adjusted, to take account of the size and composition of the household. Following this process, an income per adult-equivalent is achieved and this is used as the basis for setting the poverty lines. For the period 2010/11 the poverty thresholds in Northern Ireland were:

	Before Housing Costs	After Housing Costs
Couple – no children	£251	£215
Single – no children	£168	£125
Couple with 2 children under 14 years	£384	£349
Lone parent with 2 children under 14yrs	£301	£258

Source(s)

Department of Work and Pensions (2012) *Households Below Average Income*. London, HM Stationery Office.

Northern Ireland Statistics and Research Agency (2012) *Poverty in Northern Ireland 2010/11*. Belfast, NISRA.