

Quarterly Economic Facts

Spring 2015



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About NERI and this publication

The Nevin Economic Research Institute (NERI) has been established to provide information, analysis and economic policy alternatives. Further information about NERI may be obtained at our website www.NERInstitute.net

The purpose of this Quarterly Economic Facts (QEF) document is to provide regular, accessible and timely statistical information so as to equip trade unions and others in understanding economic trends and comparisons. All data are sourced from official sources with a clear link or reference to the website or publication from where they are drawn. Every care has been taken to ensure that the data were valid at the time of this release.

This (Spring 2015) edition incorporates a restructure of the QEF set of indicators. These have been revised to provide a more comprehensive overview of the labour market, income, earnings, social exclusion and public finances on the island of Ireland.

Each release of the QEF is complemented by another release – Quarterly Economic Observer which is available on the NERI website.

The Nevin Economic Research Institute
Quarterly Economic Facts
Spring 2015

This document is also available in electronic format on our website:
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Overview

Recent years have seen a huge growth in the supply, range and timeliness of data from a variety of official agencies including the Central Statistics Office (CSO), the Northern Ireland Statistics and Research Agency (NISRA), Eurostat, the Organisation for Economic Cooperation and Development (OECD), the International Monetary Fund (IMF) as well as other agencies. Much of the data are publicly and readily available online together with detailed notes about the data. The QEF is not intended to provide an alternative to these sources. It provides a signpost to available sources of data. It selects a few indicators from key areas of concern: employment, unemployment, earnings and labour costs, inequality in income, poverty and public finances.

It is intended to expand and change a selection of indicators over time to cover a somewhat broader range of topics under each heading - this (Spring 2015) edition incorporates a restructure of the QEF set of indicators. However, to avoid information over-load (a not infrequent feature of many of the major statistical sources) it is planned to keep the overall number of indicators shown in this and subsequent editions within a reasonable and manageable size. Comments, queries and suggestions are welcome both in relation to the content as well as the overall scope of this publication.

Each indicator is laid out as follows:

- Definition
- Chart and Data Table
- Interpretation
- Technical Notes and Sources.

For the purposes of comparisons across European States typically two averages are used where possible: EU 28 for all Member States and EU 15 for those Member States that were in the Union prior to 2004. The latter constitute a more homogeneous group in terms of GDP per capita. Unless otherwise stated, averages at the level of EU 28 or EU 15 are unweighted means.

Please note that, unless otherwise specified, all references to 'Ireland' in this edition of QEF refers to the Republic of Ireland only.

1 People in Paid Work

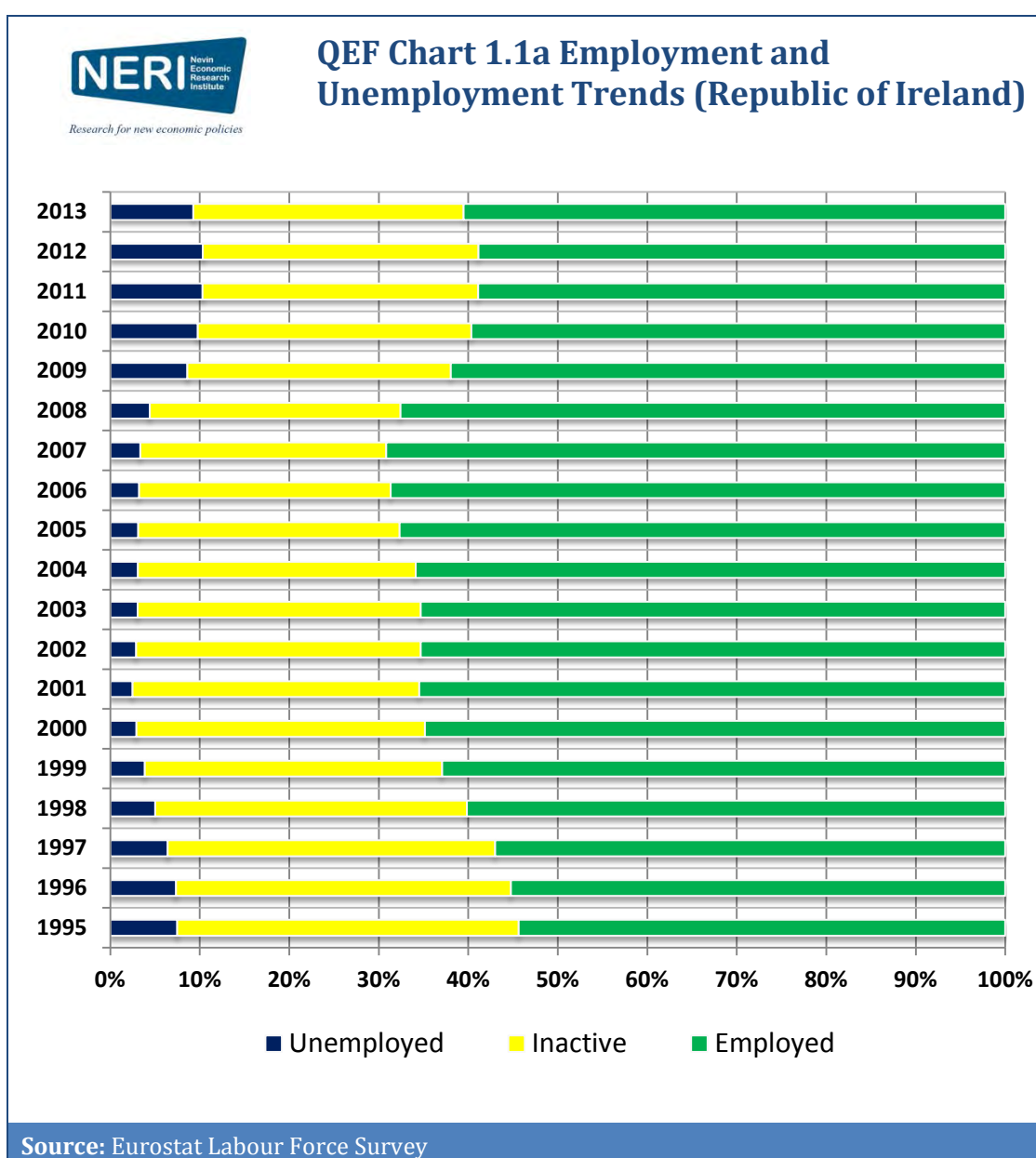
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Indicator 1.1a Employment and Unemployment Trends (Republic of Ireland)

Indicator defined

Share of employed, unemployed and economically inactive in population of working age in the Republic of Ireland

Data is the latest available as of 9 March 2015



QEF Table 1.1a Employment and Unemployment Trends (Republic of Ireland)

	Total aged 15-64 '000s	Unemployed	Inactive	Employed
1995	2,284.2	7.5%	38.2%	54.4%
1996	2,334.8	7.4%	37.5%	55.4%
1997	2,387.8	6.5%	36.9%	57.6%
1998	2,457.2	5.1%	35.1%	60.6%
1999	2,502.7	3.9%	33.4%	63.3%
2000	2,546.2	3.0%	32.4%	65.2%
2001	2,600.6	2.5%	32.2%	65.8%
2002	2,660.8	2.9%	31.9%	65.5%
2003	2,711.2	3.1%	31.7%	65.5%
2004	2,761.3	3.1%	31.2%	66.3%
2005	2,831.0	3.1%	29.2%	67.6%
2006	2,919.3	3.2%	28.1%	68.7%
2007	2,996.9	3.4%	27.5%	69.2%
2008	3,041.1	4.4%	28.0%	67.6%
2009	3,095.6	8.6%	29.4%	61.9%
2010	3,080.9	9.8%	30.6%	59.6%
2011	3,063.6	10.3%	30.8%	58.9%
2012	3,042.0	10.4%	30.8%	58.8%
2013	3,021.7	9.3%	30.2%	60.5%
Source:	Eurostat Labour Force Survey			
Notes:	Percentages are for the total population. The unemployment rate is calculated as a percentage of the labour force.			

Interpretation

Since 1995 there has been a gradual decline in the proportion of 'economically inactive' people. This trend has been partially reversed by the recession. The term 'economically inactive' is used by economists and statisticians to refer to persons who are not in paid employment (for typically more than one hour in the previous week at the time of survey). It is not intended, here, to imply that persons actively engaged in activities that are not remunerated in the labour market are not contributing very significantly to economic and social well-being.

Technical Notes

There is a statistical discrepancy between total population aged 15-64 (as recorded in the Quarterly National Household Survey) and the sum of employed, unemployed and the economically inactive. The actual percentages (of population) are presented in the table, while in the graph economically inactive is treated as a residual. The discrepancy is at its largest in 1997, at 1% of the population.

Source(s)

Eurostat online database [lfsi_emp_a, lfsi_act_a, lfsa_ugan, lfsa_igan]

Indicator 1.1b Employment and Unemployment Trends (Northern Ireland)

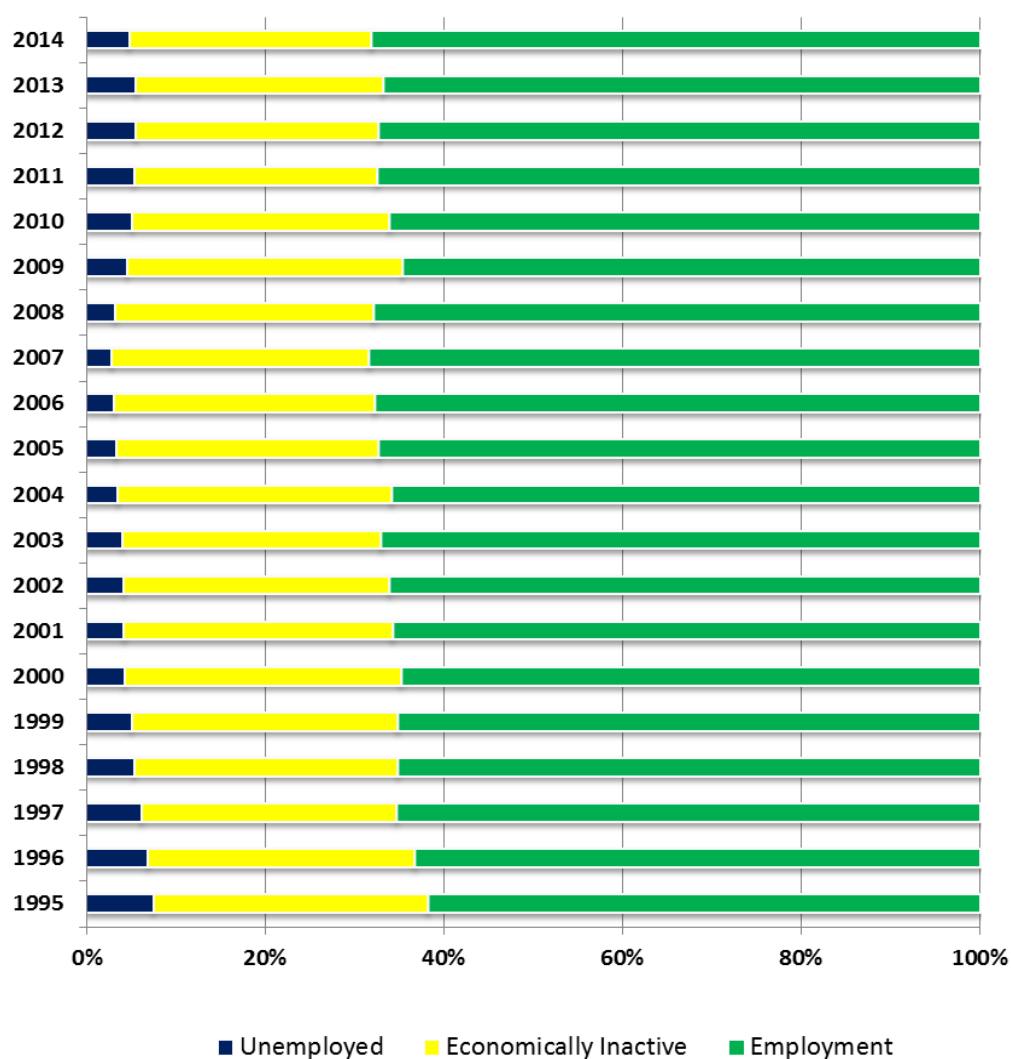
Indicator defined

Share of employed, unemployed and economically inactive in population of working age in Northern Ireland

Data is the latest available as of 12 March 2015



QEF Chart 1.2b Employment by sector, comparisons between 2008 and the latest available data for Northern Ireland



Source: NISRA (2015)



QEF Table 1.1b Total population and share of employed, unemployed and economically inactive

Year	Total 16-64 '000s	Employment	Economically Inactive	Unemployed
1995	1006	61.8%	30.7%	7.5%
1996	1017	63.2%	29.8%	6.9%
1997	1027	65.3%	28.5%	6.2%
1998	1035	65.2%	29.5%	5.4%
1999	1041	65.2%	29.7%	5.1%
2000	1048	64.8%	30.9%	4.3%
2001	1059	65.8%	30.0%	4.3%
2002	1067	66.1%	29.7%	4.2%
2003	1075	67.0%	29.0%	4.0%
2004	1085	65.9%	30.6%	3.6%
2005	1098	67.3%	29.4%	3.4%
2006	1112	67.7%	29.1%	3.2%
2007	1125	68.4%	28.8%	2.9%
2008	1135	67.8%	28.9%	3.3%
2009	1142	64.7%	30.8%	4.6%
2010	1147	66.1%	28.8%	5.2%
2011	1154	67.4%	27.2%	5.3%
2012	1159	67.3%	27.2%	5.5%
2013	1163	66.8%	27.5%	5.6%
2014	1165	66.93%	27.1%	4.8%

Source: NISRA (2015)

Note: Data is yearly average based on 4 calendar quarters. Percentages are for the total population. The unemployment rate is calculated as a percentage of the labour force.

Interpretation

As shown above Northern Ireland has seen increases in both unemployment and economic inactivity over the recession period. While the rate of unemployment is returning to pre-crisis levels, the decline in the level of economic inactivity has been less marked. Northern Ireland still has a level of economic inactivity that is considerably higher than that of the UK and thus direct comparisons can be misguided.

Technical Notes

Economic Activity, Employment and Unemployment rate are all calculated as a percentage of the working age population (16-64). Unemployment and economically inactive are calculated as residuals from employment and economically active.

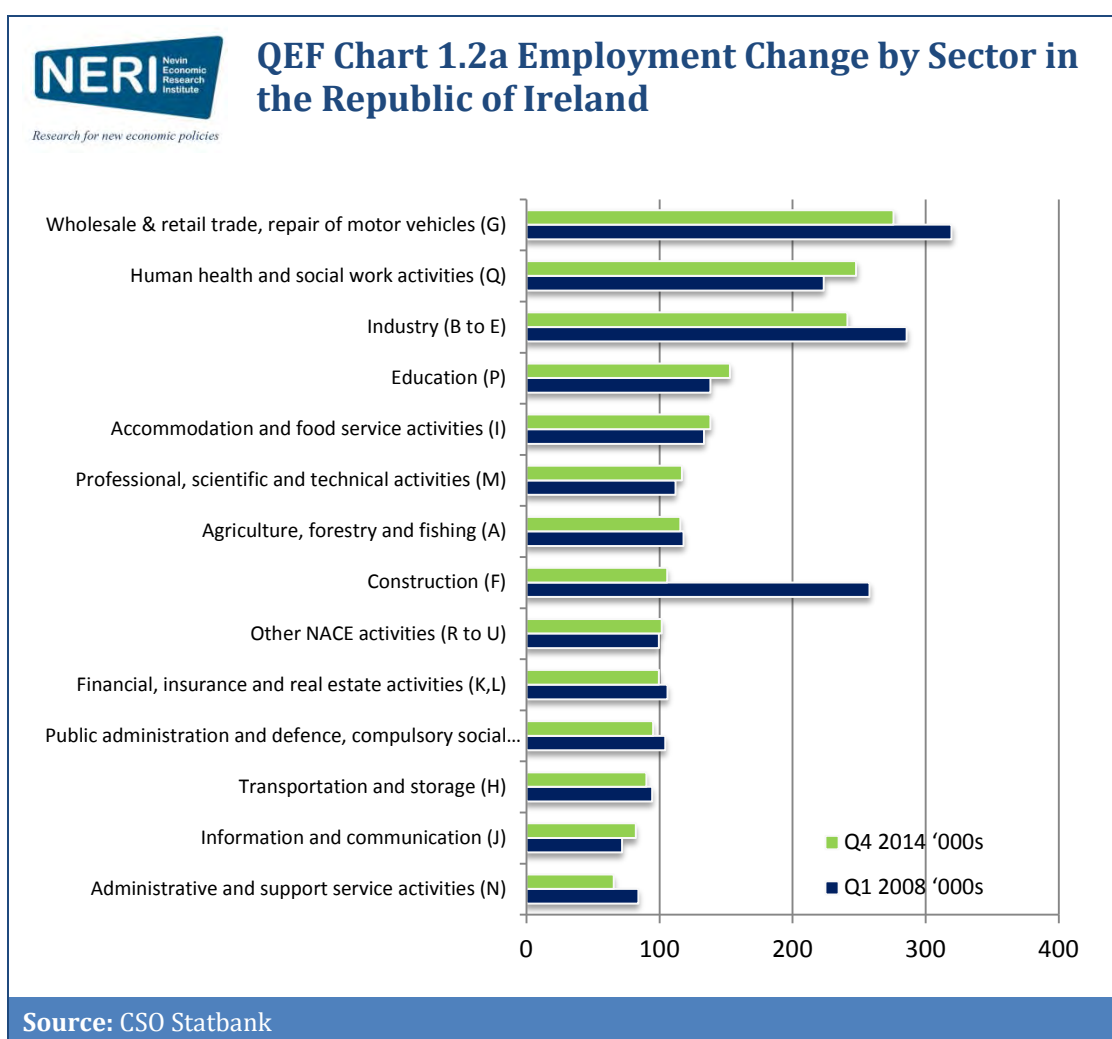
Source(s) NISRA (2015) [Labour Force Survey](#)

Indicator 1.2a Employment Change by Sector in the Republic of Ireland

Indicator defined

Employment at NACE 2 sectoral level comparing the level in Q1 2008 with current employment levels (seasonally adjusted).

Data is the latest available as of 9 March 2015



QEF Table 1.2a Employment Change by Sector in the Republic of Ireland

Economic Sector	Q1 2008 '000s	Q2 2014 '000s
Administrative and support service activities (N)	84.2	65.7
Information and communication (J)	72	82.3
Transportation and storage (H)	94.6	90.1
Public administration and defence, compulsory social security (O)	104.4	95.2
Financial, insurance and real estate activities (K,L)	106.1	99.6
Other NACE activities (R to U)	99.7	101.7
Construction (F)	257.9	105.9
Agriculture, forestry and fishing (A)	118.2	115.8
Professional, scientific and technical activities (M)	112	116.9
Accommodation and food service activities (I)	133.6	138.4
Education (P)	138.4	153
Industry (B to E)	285.7	241.2
Human health and social work activities (Q)	223.5	247.9
Wholesale & retail trade, repair of motor vehicles (G)	319.5	275.9

Source: CSO Statbank

Interpretation

The wholesale and retail sector has remained the largest employment sector throughout the boom and the recession, notwithstanding the loss of over 51,000 of all jobs in the sector since peaking in Q1 2008. Three out every five construction jobs have been lost during the period Q1 2008 to Q1 2014.

Technical Notes

The CSO's *Quarterly National Household Survey* is conducted each week over a total sample of 39,000 households and is published on a quarterly basis. The households are surveyed over five consecutive quarters. The *ILO definition of the labour force* includes all those employed and unemployed over the age of 15, but excludes the inactive population. The *NACE codes* are employment sector classifications. *Seasonally adjusted data* is data that has been treated for calendar effects, seasonal variations etc. and is arrived using the X-12-ARIMA model. The seasonally adjusted factor is revised each quarter for all previous quarters. In November 2012 the CSO revised estimates for previous periods. The data should be treated with caution given the resampling of the Quarterly National Household Survey.

Source(s)

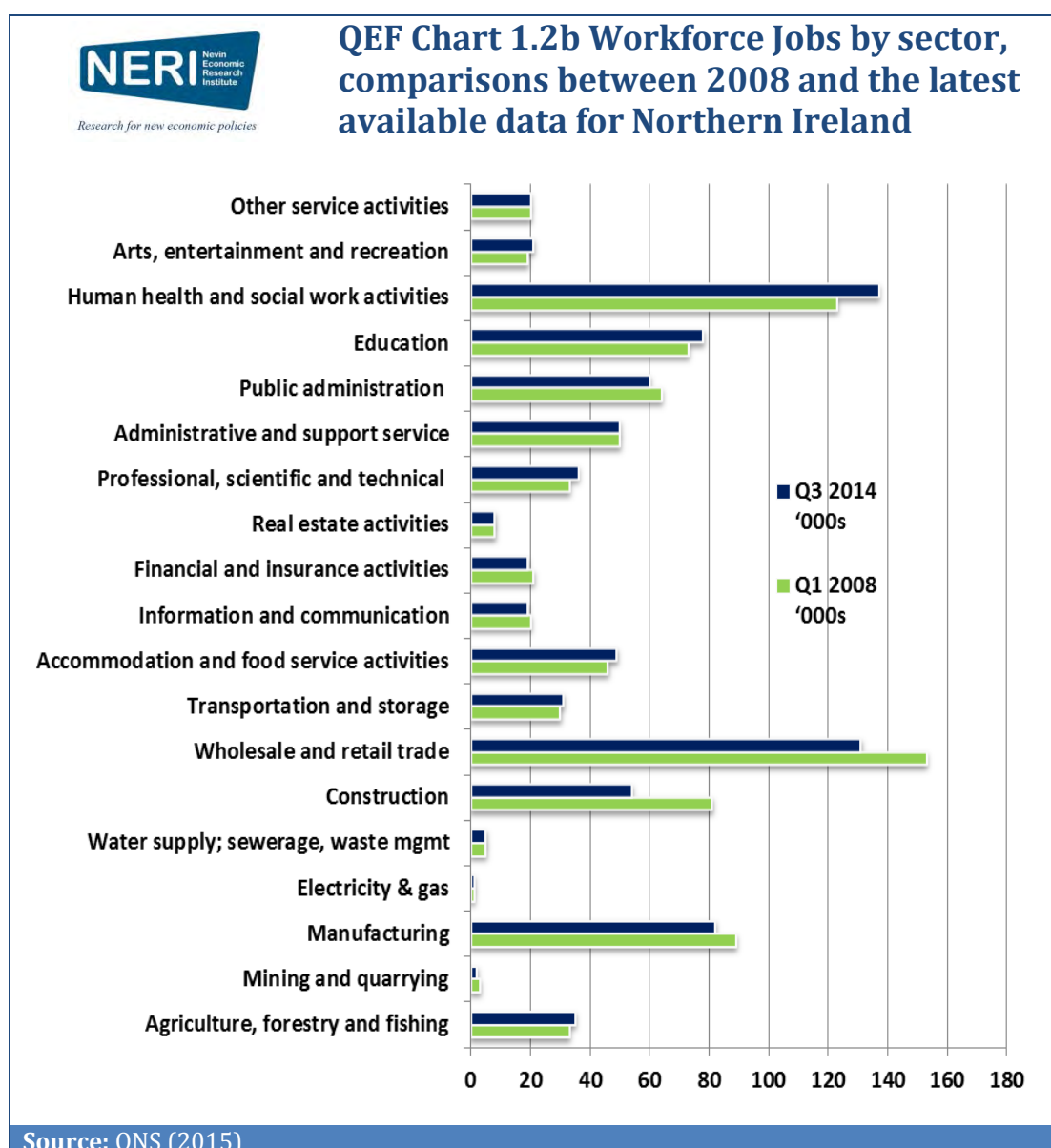
CSO Statbank. [QNQ03]

Indicator: 1.2b Employment Change by Sector in Northern Ireland

Indicator defined

Workforce jobs by industry (SIC 2007) - seasonally adjusted: all persons comparing the level in March 2008 with the most recently reported period.

Data is the latest available as of 12 March 2015





QEF Table 1.2b Workforce Jobs by sector, comparisons between 2008 and the latest available data for Northern Ireland

Industry	Q1 2008 '000s	Q3 2014 '000s
Agriculture, forestry and fishing	33	35
Mining and quarrying	3	2
Manufacturing	90	82
Electricity & gas	1	1
Water supply; sewerage, waste mgmt	5	5
Construction	81	54
Wholesale and retail trade	153	131
Transportation and storage	30	31
Accommodation and food service activities	46	49
Information and communication	20	19
Financial and insurance activities	21	19
Real estate activities	8	8
Professional, scientific and technical	33	36
Administrative and support service	50	50
Public administration	64	60
Education	73	78
Human health and social work activities	123	137
Arts, entertainment and recreation	18	21
Other service activities	20	20
Total	870	839

Interpretation

Overall total workforce jobs in the third quarter of 2014 are now 4% below the total figure for the first quarter of 2008. The fall in construction of 33% remains the largest of any major sectors (Mining and Quarrying and Electricity and Gas have seen significant fluctuation, but these are relatively small employment sectors). Wholesale and Retail has seen some more recent declines and is now 14% below its Q1 2008 level. Financial and Insurance Service jobs fell by 10%.

Technical Notes

Total workforce jobs is the sum of; employee jobs (measured by employer surveys), self-employment jobs (derived from the Labour Force Survey), government-supported trainees (from administrative sources) and HM forces (Ministry of Defence records).

Source(s)

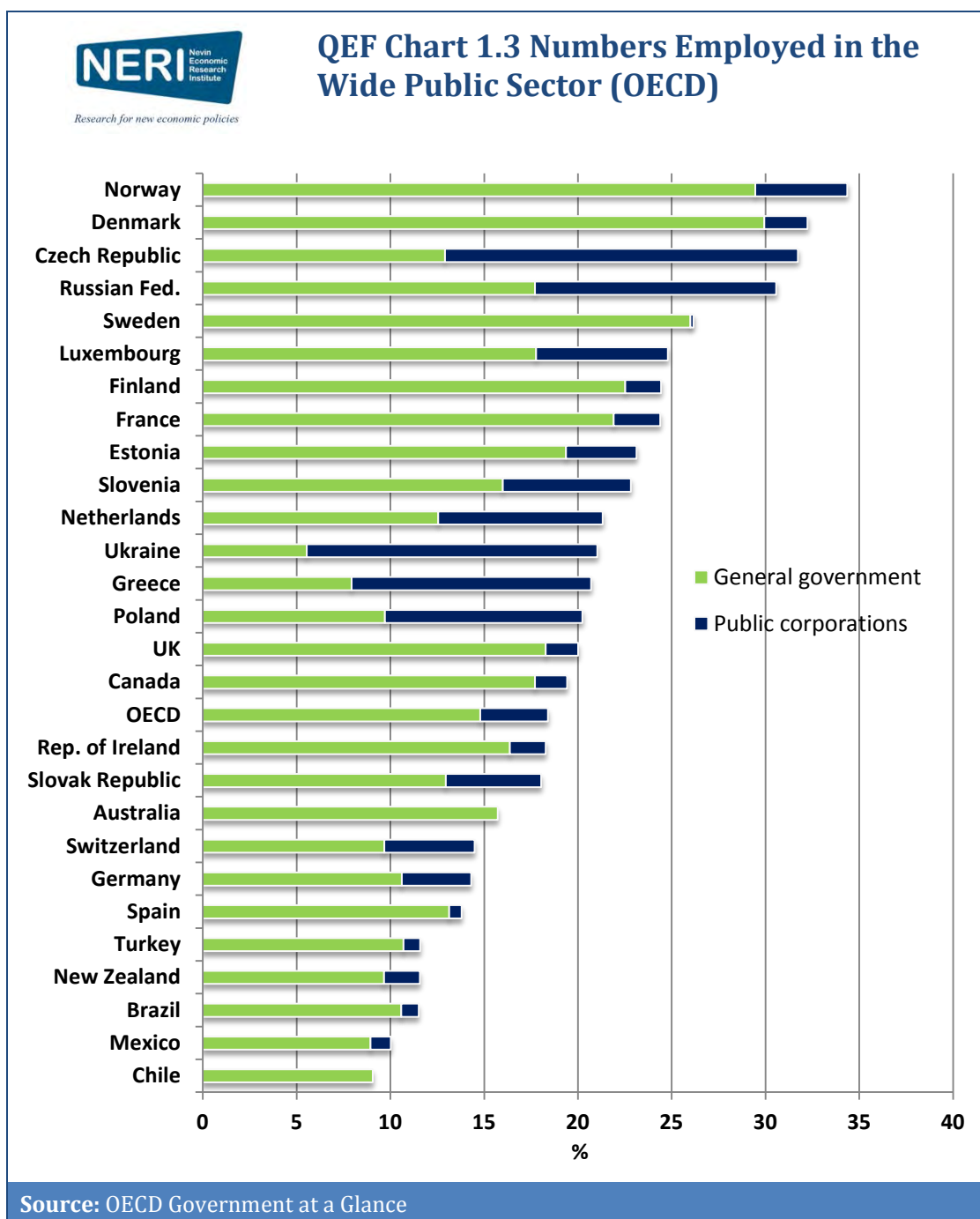
Office for National Statistics (2015) [Workforce jobs by industry](#)

Indicator: 1.3 Numbers Employed in the Wide Public Sector (OECD)

Indicator defined

Total numbers employed in General Government and Public Corporations as a proportion of total Labour Force.

Data is the latest available as of 9 March 2015



QEF Table 1.3 Numbers Employed in the Wide Public Sector (OECD)

Country	Gen. Gov.	Pub. Corps.	Total Pub Sector	Country	Gen. Gov.	Pub. Corps.	Total Pub Sector
Chile	9.1	0.0	9.1	Poland	9.7	10.5	20.2
Mexico	9.0	1.1	10.0	Greece	7.9	12.8	20.7
Brazil	10.6	0.9	11.5	Ukraine	5.5	15.5	21.0
New Zealand	9.7	1.9	11.6	Netherlands	12.6	8.8	21.3
Turkey	10.7	0.9	11.6	Slovenia	16.0	6.8	22.8
Spain	13.1	0.7	13.8	Estonia	19.4	3.8	23.1
Germany	10.6	3.7	14.3	France	21.9	2.5	24.4
Switzerland	9.7	4.8	14.5	Finland	22.5	1.9	24.4
Australia	15.7	0.0	15.7	Luxembourg	17.8	7.0	24.8
Slovak Republic	13.0	5.1	18.0	Sweden	26.0	0.2	26.2
Rep. of Ireland	16.4	1.9	18.3	Russian Fed.	17.7	12.9	30.6
OECD	14.8	3.6	18.4	Czech Republic	12.9	18.8	31.7
Canada	17.7	1.7	19.4	Denmark	29.9	2.3	32.2
UK	18.3	1.7	20.0	Norway	29.5	4.9	34.4

Source: OECD Government at a Glance

Interpretation

Ireland's 'wide public sector' share of total employment, as published by the OECD in 2013 was 18.3% for the year 2011. This was just above the OECD country average of 14.8% in 2011 for those countries reporting data. However, this proportion has increased from 16.7% for Ireland from 2008 as the total size of the labour force contracted significantly over the same period. More recent data are not available for other OECD countries in respect of the 2009-2011 period.

Technical Notes

OECD *Government at a Glance* was last published by the OECD in 2013 and shows total employment in general government and public corporations in 2011 and earlier years. The OECD use the International Labour Organization LABORSTA database as the source for information on public sector employment (see laborsta.ilo.org). The laborsta database contains information for some OECD countries in 2009 and 2010 that are not displayed above.

General Government is defined as all levels of government (e.g. central, state, regional and local) and includes core Ministries, agencies, departments and non-profit institutions that are controlled and mainly financed by public authorities. Public corporations are defined as legal units mainly owned or controlled by the government which produce goods and services for sale in the market. Public corporations include post offices and railways. Public corporations also include quasi-corporations.

Source(s)

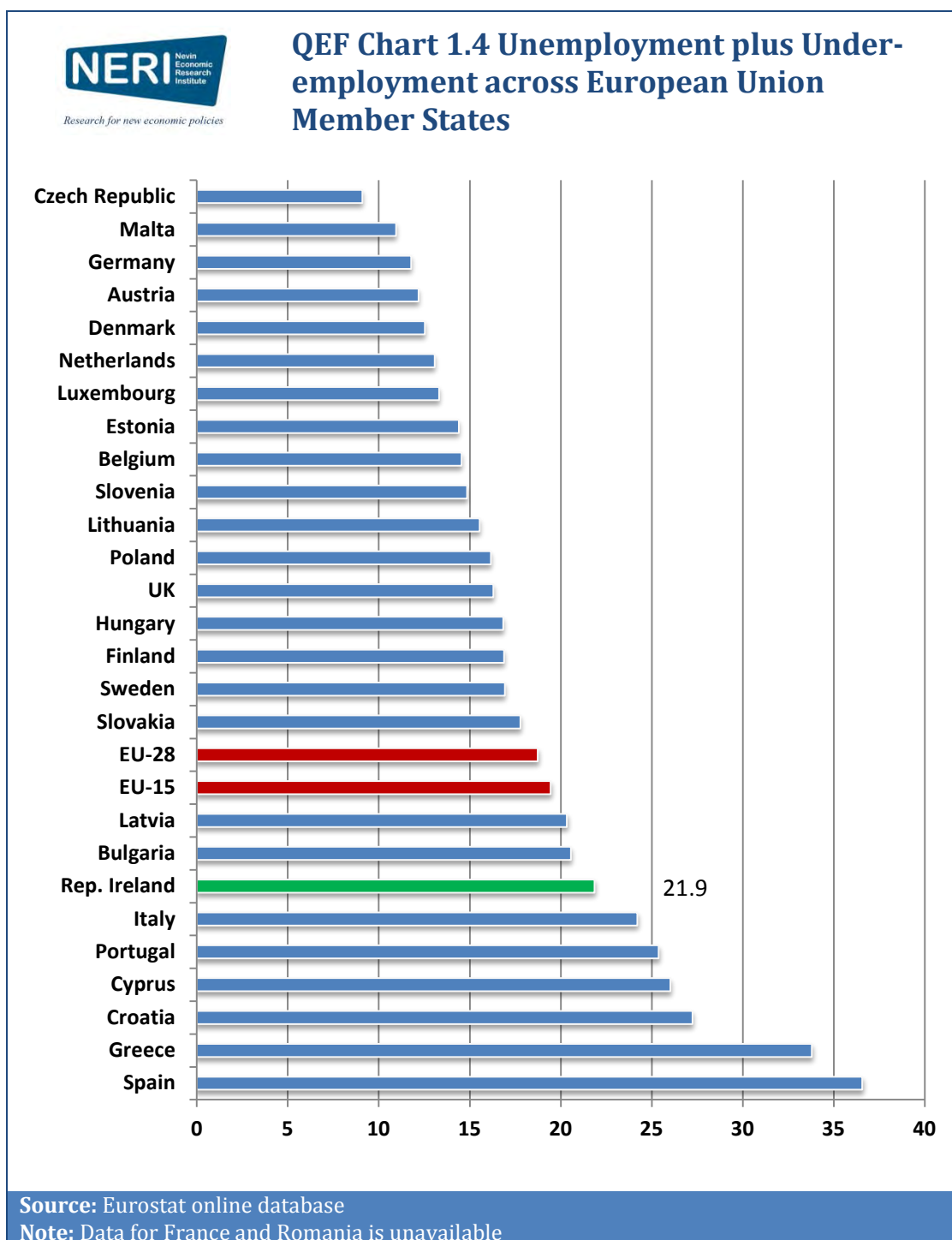
OECD Government at a Glance (2013)

Indicator 1.4 Unemployment plus Under-employment across European Union Member States

Indicator defined

Rates of unemployment and under-employment as percentage of 'wide labour force'

Data is the latest available as of 9 March 2015.



QEF Table 1.4 Unemployment plus Under-employment across the EU

Country	%	Country	%
Spain	36.6	Poland	16.2
Greece	33.8	Lithuania	15.5
Croatia	27.2	Slovenia	14.9
Cyprus	26.0	Belgium	14.6
Portugal	25.4	Estonia	14.4
Italy	24.2	Luxembourg	13.3
Rep. Ireland	21.9	Netherlands	13.1
Bulgaria	20.6	Denmark	12.5
Latvia	20.3	Austria	12.2
Slovakia	17.8	Germany	11.8
Sweden	16.9	Malta	11.0
Finland	16.9	Czech Republic	9.1
Hungary	16.8	EU-15	19.4
UK	16.3	EU-28	18.7
Source: Eurostat online database			
Note: Data for France and Romania is unavailable			

Interpretation

As job opportunities narrow an increasing number of workers drop out of the labour market, defined as all persons at work or actively seeking, and available for, work. Adding together all persons in employment including under-employed, unemployed (ILO definition), persons available for work but not actively seeking work (discouraged workers) and persons not immediately available but seeking work it is possible to estimate the total rate of unemployment and under-employment as a proportion of the 'wide labour force'.

Technical Notes

Underemployed part-time workers are persons working part-time who wish to work additional hours and are available to do so. Part-time work is recorded as self-reported by individuals. **Persons seeking work but not immediately available** are the sum of persons neither employed nor unemployed who: (a) are actively seeking work during the last 4 weeks but not available for work in the next 2 weeks; or (b) found a job to start in less than 3 months and are not available for work in the next 2 weeks; or (c) found a job to start in 3 months or more; or (d) are passively seeking work during the last 4 weeks and are available for work in the next 2 weeks. **Persons available to work but not seeking** are persons neither employed nor unemployed who want to work, are available for work in the next 2 weeks but are not seeking work.

Source(s)

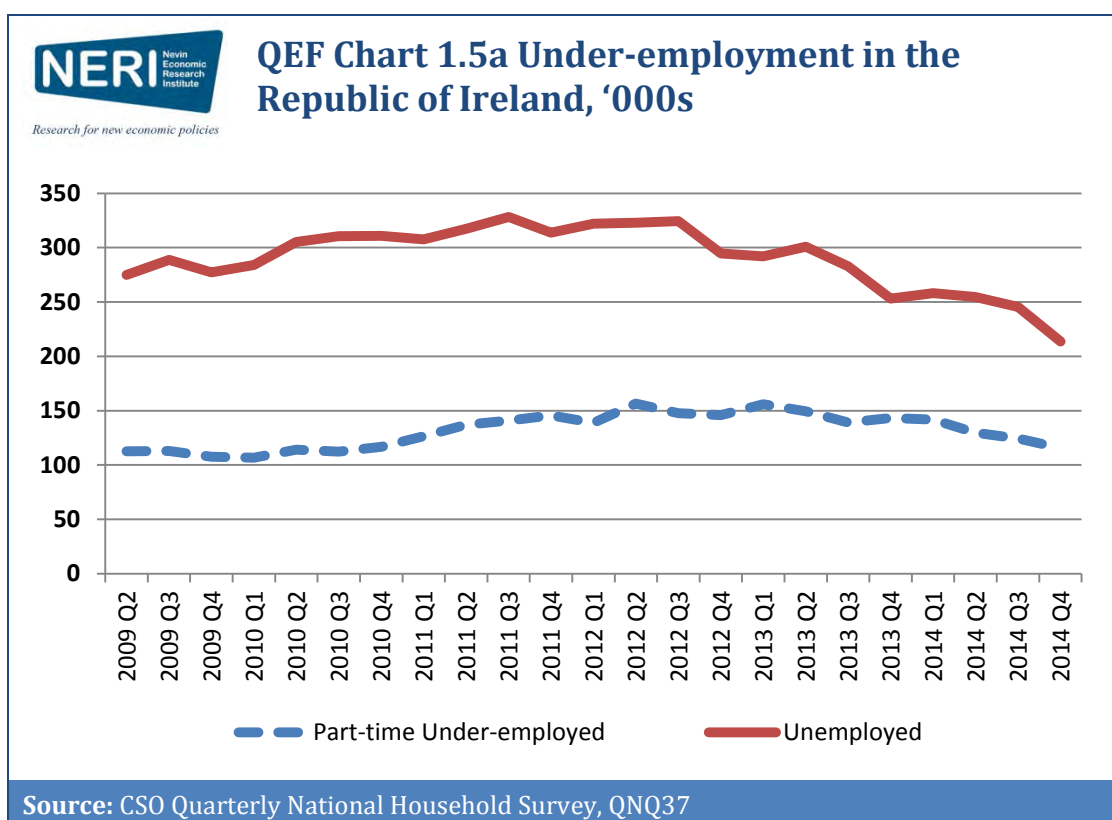
Eurostat online database [lfsa_ugan, lfsi_act_a, lfsi_sup_age_a]

Indicator 1.5a Under-employment in the Republic of Ireland

Indicator defined

Numbers of unemployed and part-time underemployed

Data is the latest available as of 9 March 2015.





**QEF Table 1.5a Under-employment
in the Republic of Ireland, '000s**

Period	Part-time under-employed	Unemployed
2010 Q1	106.9	284.1
2010 Q2	114.2	305.1
2010 Q3	112.5	310.6
2010 Q4	116.8	310.9
2011 Q1	126.5	307.6
2011 Q2	137.1	317.4
2011 Q3	140.8	328.1
2011 Q4	145.6	313.9
2012 Q1	138.9	321.9
2012 Q2	156.6	323
2012 Q3	147.6	324.5
2012 Q4	145.8	294.6
2013 Q1	155.9	292
2013 Q2	149.4	300.7
2013 Q3	139.3	282.9
2013 Q4	143.3	253.2
2014 Q1	141.7	258.1
2014 Q2	129.7	254.5
2014 Q3	124.3	245.5
2014 Q4	115.5	213.6

Source: CSO Quarterly National Household Survey, QNQ37

Interpretation

Part-time underemployed are those who wish to work full-time, but cannot find a full-time job. The numbers involuntarily part-time has increased during the recession. As the total number of part-timers has remained stable this suggests that those who wish to work part-time were displaced by those who would prefer to work full-time. Trends in involuntary part-time employment can have an ambiguous interpretation as they can be due to the creation of new part-time jobs, or the destruction of full-time jobs.

Technical Notes

These figures are not directly comparable to indicator 1.5b for Northern Ireland.

Source(s)

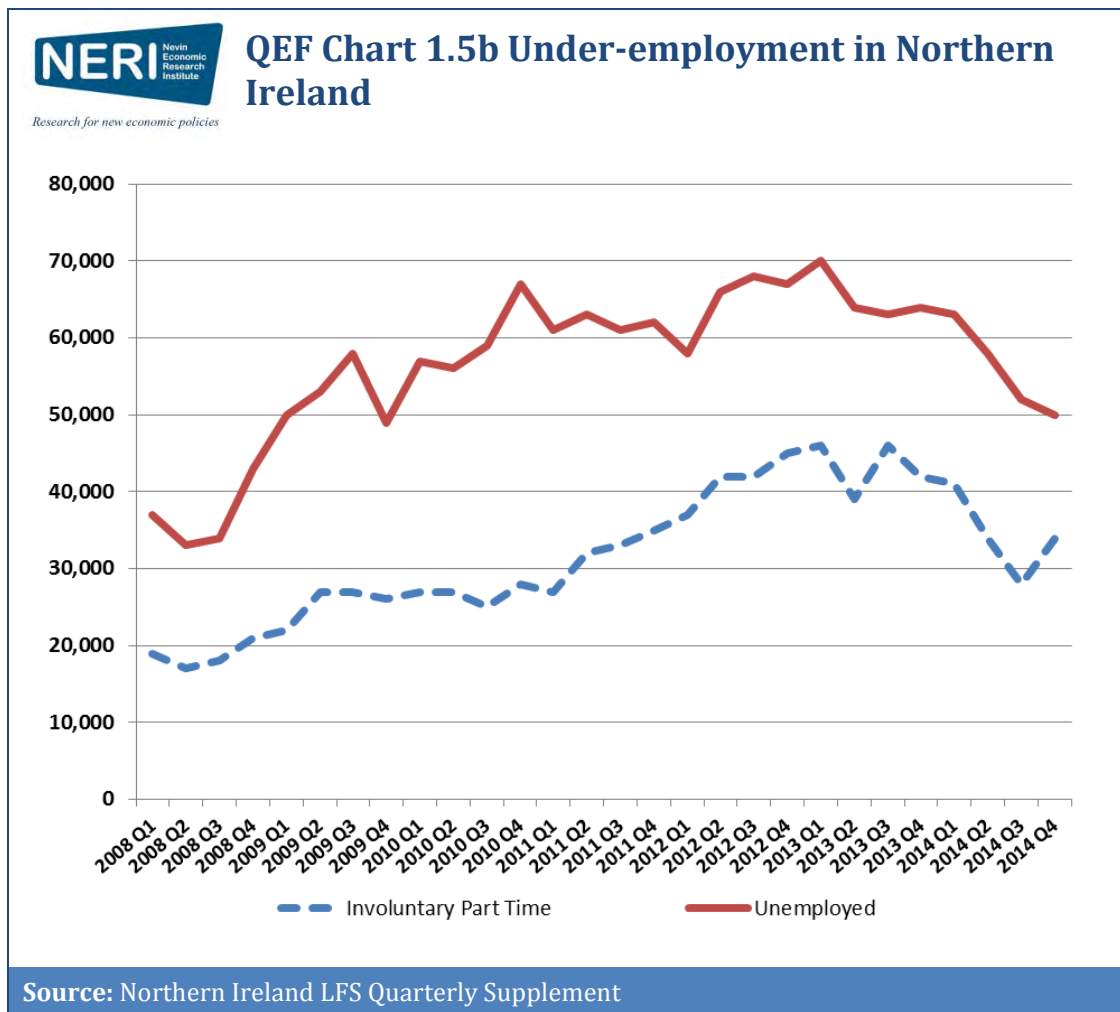
CSO Quarterly National Household Survey [Table 1a]

Indicator 1.5b Under-employment in Northern Ireland

Indicator defined

Number of workers who work part-time because they could not find full-time work and numbers of workers who are unemployed

Data is the latest available as of 12 March 2015





QEF Table 1.5b Under-employment in Northern Ireland

Quarter	Involuntary Part Time	Unemployed
2008 Q1	19,000	37,000
2008 Q2	17,000	33,000
2008 Q3	18,000	34,000
2008 Q4	21,000	43,000
2009 Q1	22,000	50,000
2009 Q2	27,000	53,000
2009 Q3	27,000	58,000
2009 Q4	26,000	49,000
2010 Q1	27,000	57,000
2010 Q2	27,000	56,000
2010 Q3	25,000	59,000
2010 Q4	28,000	67,000
2011 Q1	27,000	61,000
2011 Q2	32,000	63,000
2011 Q3	33,000	61,000
2011 Q4	35,000	62,000
2012 Q1	37,000	58,000
2012 Q2	42,000	66,000
2012 Q3	42,000	68,000
2012 Q4	45,000	67,000
2013 Q1	46,000	70,000
2013 Q2	39,000	64,000
2013 Q3	46,000	63,000
2013 Q4	42,000	64,000
2014 Q1	41,000	63,000
2014 Q2	34,000	58,000
2014 Q3	28,000	52,000
2014 Q3	34,000	50,000

Source: Northern Ireland LFS Quarterly Supplement

Interpretation

This indicator shows the number of part-time workers who state their reason for working part-time as not being able to find full-time work. These workers will be counted as employed for national statistics but they are not employed to the level they wish to be. This is distinct from workers who chose part-time as a lifestyle choice such as a parent with young children or students in higher education.

Technical Notes

The measure of underemployment that this indicator refers to is time related underemployment and is ILO defined as those who, during the reference period used to define employment, were willing to work additional hours, were available to work additional hours, and whose hours actually worked in all jobs during the reference period were below a threshold to be determined according to national circumstances.

Source(s)

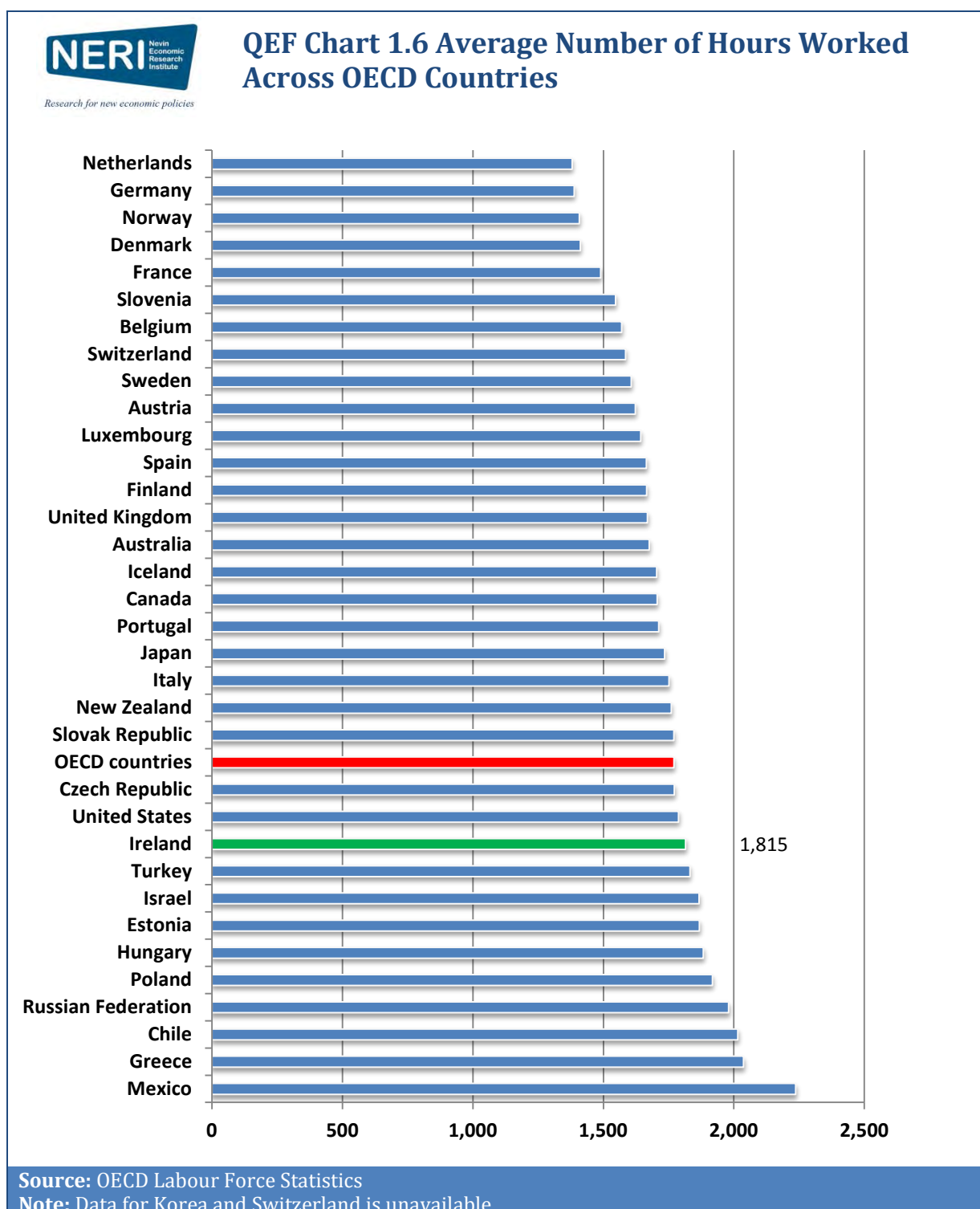
Northern Ireland [LFS Quarterly Supplement](#)

Indicator 1.6 Average Number of Hours Worked Across OECD Countries

Indicator defined

Average annual hours actually worked per worker in 2013

Data is the latest available as of 9 March 2015.





QEF Table 1.6 Average Number of Hours Worked Across OECD Countries

Country	Hours	Country	Hours
Mexico	2,237	Canada	1,706
Greece	2,037	Iceland	1,704
Chile	2,015	Australia	1,676
Russian	1,980	United Kingdom	1,669
Poland	1,918	Finland	1,666
Hungary	1,883	Spain	1,665
Estonia	1,868	Luxembourg	1,643
Israel	1,867	Austria	1,623
Turkey	1,832	Sweden	1,607
Ireland	1,815	Switzerland	1,585
United States	1,788	Belgium	1,570
Czech Republic	1,772	Slovenia	1,547
OECD countries	1,770	France	1,489
Slovak Republic	1,770	Denmark	1,411
New Zealand	1,760	Norway	1,408
Italy	1,752	Germany	1,388
Japan	1,735	Netherlands	1,380
Portugal	1,712	Canada	1,706
Source: OECD Labour Force Statistics			
Note: Data for Korea and Switzerland is unavailable.			

Interpretation

If someone were to work a standard 39 hour week, 1,529 annual hours would represent 39 working weeks. This is equivalent to the average Irish worker taking 64 weekdays as holidays per year.

Technical Notes

Data is collected by the OECD from a variety of sources, details of which are available on the OECD website.

Source(s)

OECD Labour Force Statistics

2 People out of Work

<i>Indicator 2.1</i>	The Rate of Unemployment across European Union Member States
<i>Indicator 2.2a</i>	Long-term Unemployment Trends (Republic of Ireland)
<i>Indicator 2.2b</i>	Long-term Unemployment Trends (Northern Ireland)
<i>Indicator 2.3a</i>	Unemployed Persons per Job Vacancy (Republic of Ireland)
<i>Indicator 2.3b</i>	Unemployed Persons per Job Vacancy (Northern Ireland)
<i>Indicator 2.4</i>	Youth Unemployment across European Union Member States
<i>Indicator 2.5</i>	Young People Not in Education, Employment or Training (NEETs), ROI and NI
<i>Indicator 2.6</i>	A Profile of Economic Inactivity among those who want to work in Northern Ireland

Indicator 2.1a The Rate of Unemployment across European Union Member States

Indicator defined

Seasonally adjusted total unemployed as a percentage of the Labour Force (ILO definition)

Data is the latest available as of 09 March 2015

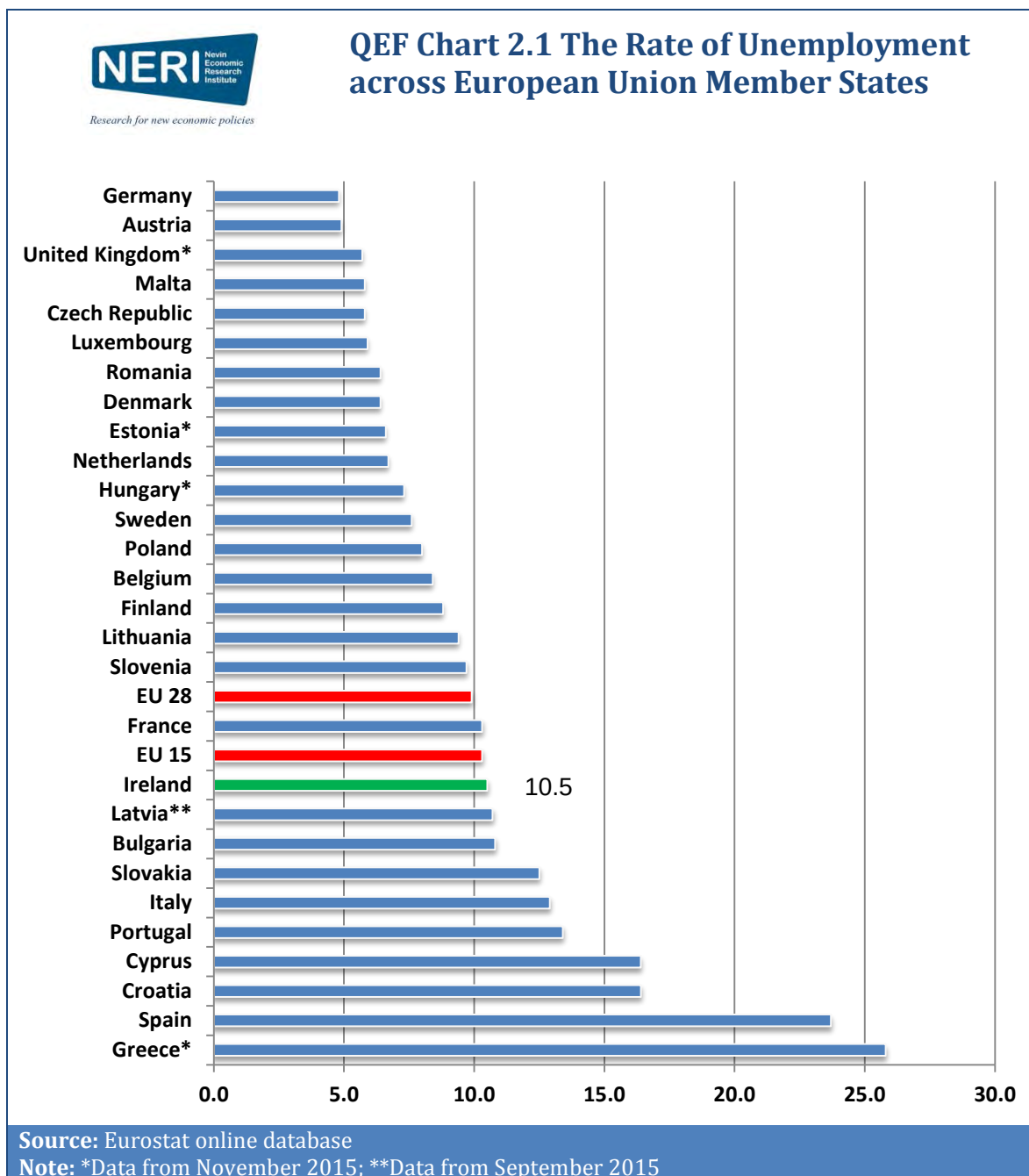


Table 2.1 The Rate of Unemployment across European Union Member States

Country	%	Country	%
Greece*	25.8	Finland	8.8
Spain	23.7	Belgium	8.4
Croatia	16.4	Poland	8.0
Cyprus	16.4	Sweden	7.6
Portugal	13.4	Hungary*	7.3
Italy	12.9	Netherlands	6.7
Slovakia	12.5	Estonia*	6.6
Bulgaria	10.8	Denmark	6.4
Latvia**	10.7	Romania	6.4
Ireland	10.5	Luxembourg	5.9
EU 15	10.3	Czech Republic	5.8
France	10.3	Malta	5.8
EU 28	9.9	United Kingdom*	5.7
Slovenia	9.7	Austria	4.9
Lithuania	9.4	Germany	4.8

Note: *Data refers to August 2014; **Data refers to June 2014

Interpretation

The rate of unemployment varied considerably across EU Member States. The average across the whole European Union was 10.1% while in the Republic of Ireland the rate was 11.2%.

Technical Notes

The standard definitions of the International Labour Organisation (ILO) are used by Eurostat to compare rates of economic activity in the labour market in European Union Member States. Data refer to all unemployed persons aged 15 to 74 who were not employed during the reference week, had actively sought work during the past four weeks and were ready to begin working immediately or within two weeks. Employed persons are all persons who worked at least one hour for pay or profit during the reference week or were temporarily absent from such work. The unemployment rate is the number of people unemployed as a percentage of the labour force. The labour force is the total number of people employed and unemployed. Data is seasonally adjusted.

Source(s)

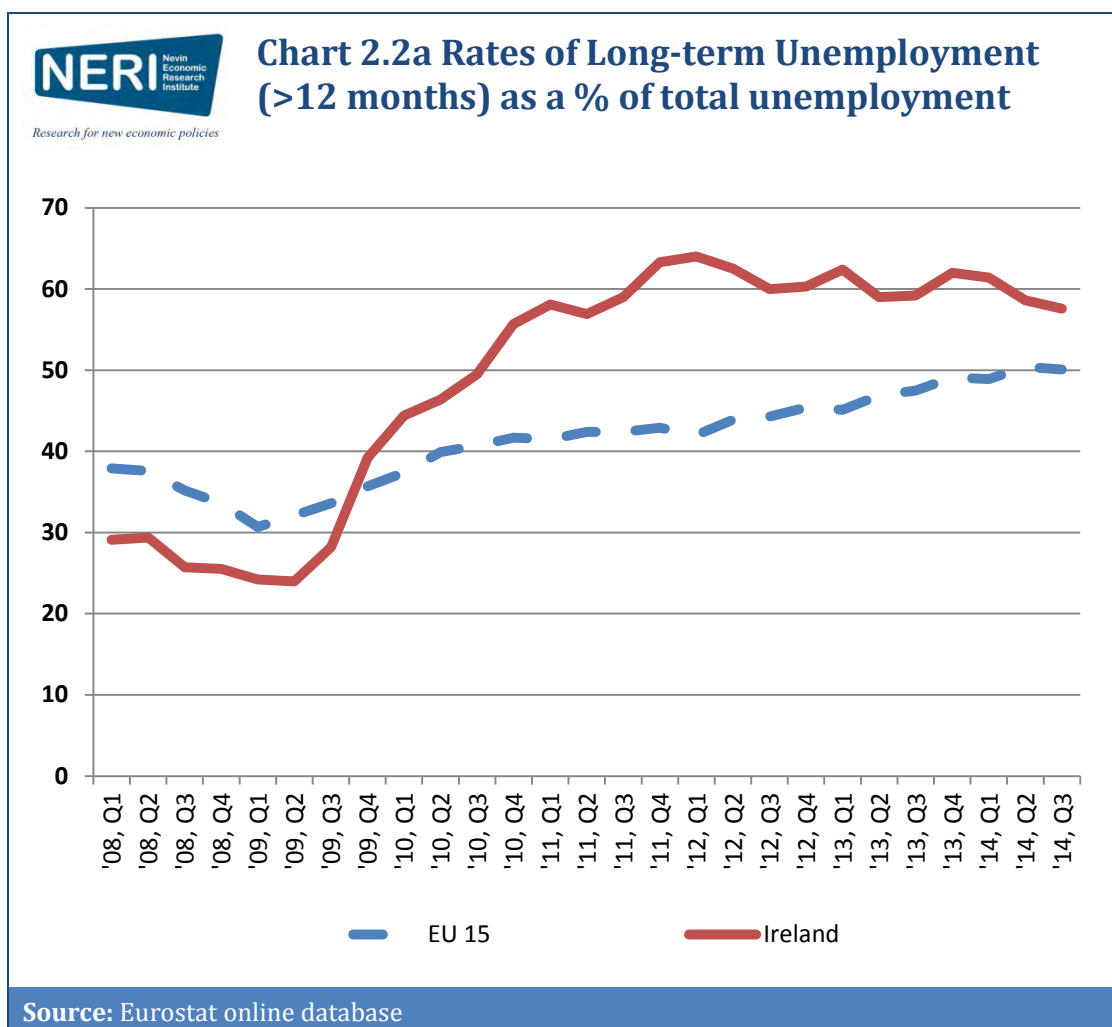
Eurostat online database <http://epp.eurostat.ec.europa.eu> (une_rt_m)

Indicator 2.2a Long-term Unemployment Trends (Republic of Ireland)

Indicator defined

Long-term unemployed as a percentage of all unemployed

Data is the latest available as of 9 March 2015.





QEF Table 2.2a Rates of Long-term Unemployment as a % of total unemployment

Period	EU 15	Rep of Ireland
2009, Q1	30.7	24.2
2009, Q2	32.1	24.0
2009, Q3	33.6	28.2
2009, Q4	35.7	39.2
2010, Q1	37.4	44.4
2010, Q2	39.9	46.4
2010, Q3	40.7	49.5
2010, Q4	41.7	55.7
2011, Q1	41.5	58.1
2011, Q2	42.4	56.9
2011, Q3	42.4	59.0
2011, Q4	42.9	63.3
2012, Q1	42.0	64.0
2012, Q2	43.9	62.5
2012, Q3	44.3	60.0
2012, Q4	45.4	60.3
2013, Q1	45.1	62.4
2013, Q2	46.9	59.0
2013, Q3	47.5	59.2
2013, Q4	49.1	62.0
2014, Q1	48.9	61.4
2014, Q2	50.4	58.6
2014, Q3	50.1	57.6

Interpretation

As total unemployment rates have increased across Europe the proportion of total unemployed who are long-term unemployed has increased especially since the first Quarter of 2009. The rate in the Republic of Ireland has risen sharply and overtook the EU 15 average in the last quarter of 2009. Currently, long-term unemployed account for 59% of all unemployed in the Republic compared to just fewer than 30% in 2008.

Technical Notes

See notes for Indicator 2.1, above.

Source(s)

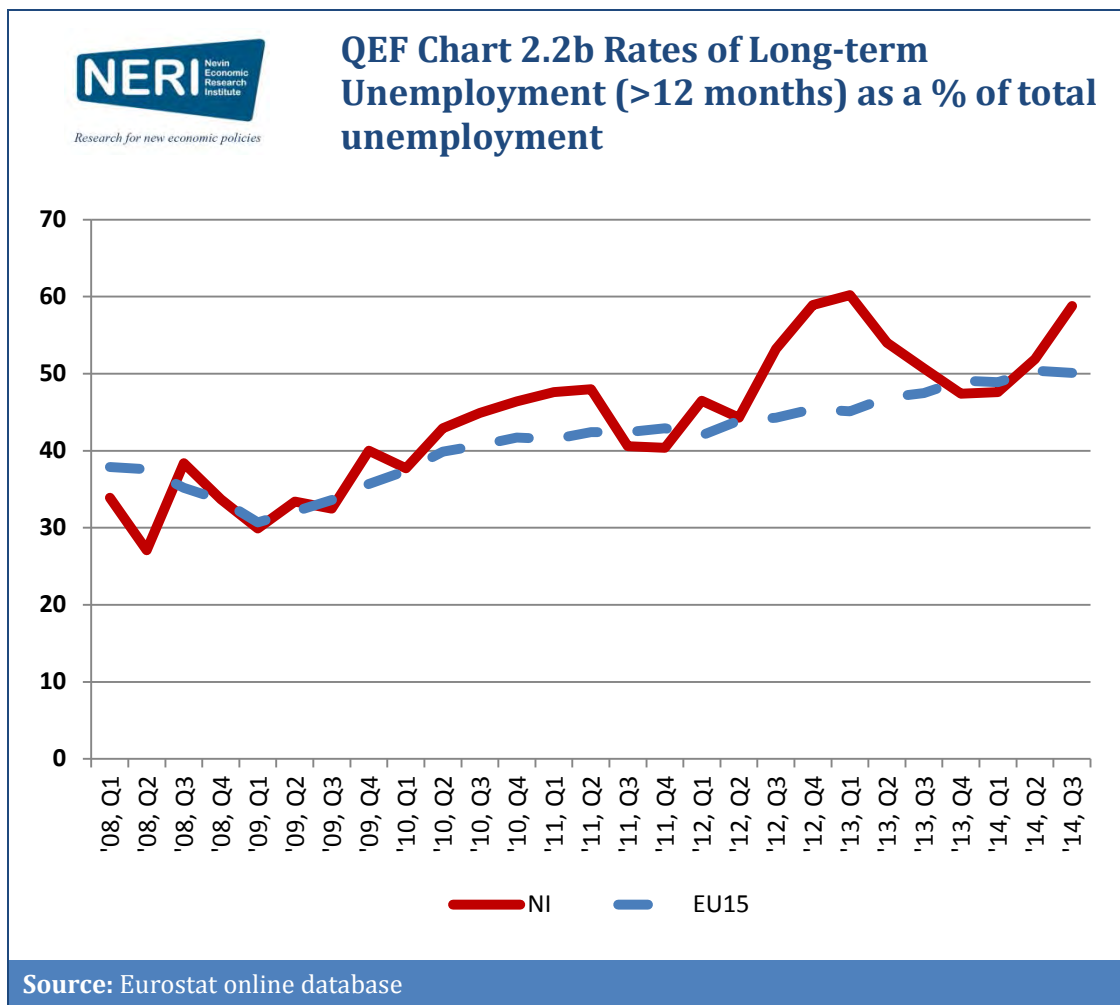
Eurostat online database <http://epp.eurostat.ec.europa.eu> (une_ltu_q)

Indicator 2.2b Long-term Unemployment Trends (Northern Ireland)

Indicator defined

Long-term unemployed as a percentage of all unemployed

Data is the latest available as of 9 March 2015





QEF Table 2.2b Rates of Long-term Unemployment (>12 months) as a % of total unemployment

Year	Northern Ireland %	EU 15 %
2010, Q1	37.4	37.7
2010, Q2	39.9	42.9
2010, Q3	40.7	44.9
2010, Q4	41.7	46.4
2011, Q1	41.5	47.6
2011, Q2	42.4	48.0
2011, Q3	42.4	40.6
2011, Q4	42.9	40.4
2012, Q1	42	46.5
2012, Q2	43.9	44.3
2012, Q3	44.3	53.2
2012, Q4	45.4	58.9
2013, Q1	45.1	60.2
2013, Q2	46.9	54.0
2013, Q3	47.5	50.7
2013, Q4	49.1	47.4
2014, Q1	48.9	47.6
2014, Q2	50.4	51.9
2014, Q3	50.1	58.8

Interpretation

As total unemployment rates have increased across Europe the proportion of total unemployed who are long-term unemployed has increased especially since the first Quarter of 2009. The rate in Northern Ireland has risen sharply in recent years and was 14.1 percentage points above the EU 15 average in the last quarter of 2013. Currently, long-term unemployed account for 50.4% of all unemployed in the North compared to 40.5% in 2007.

Technical Notes

See notes for Indicator 2.1, above.

Source(s)

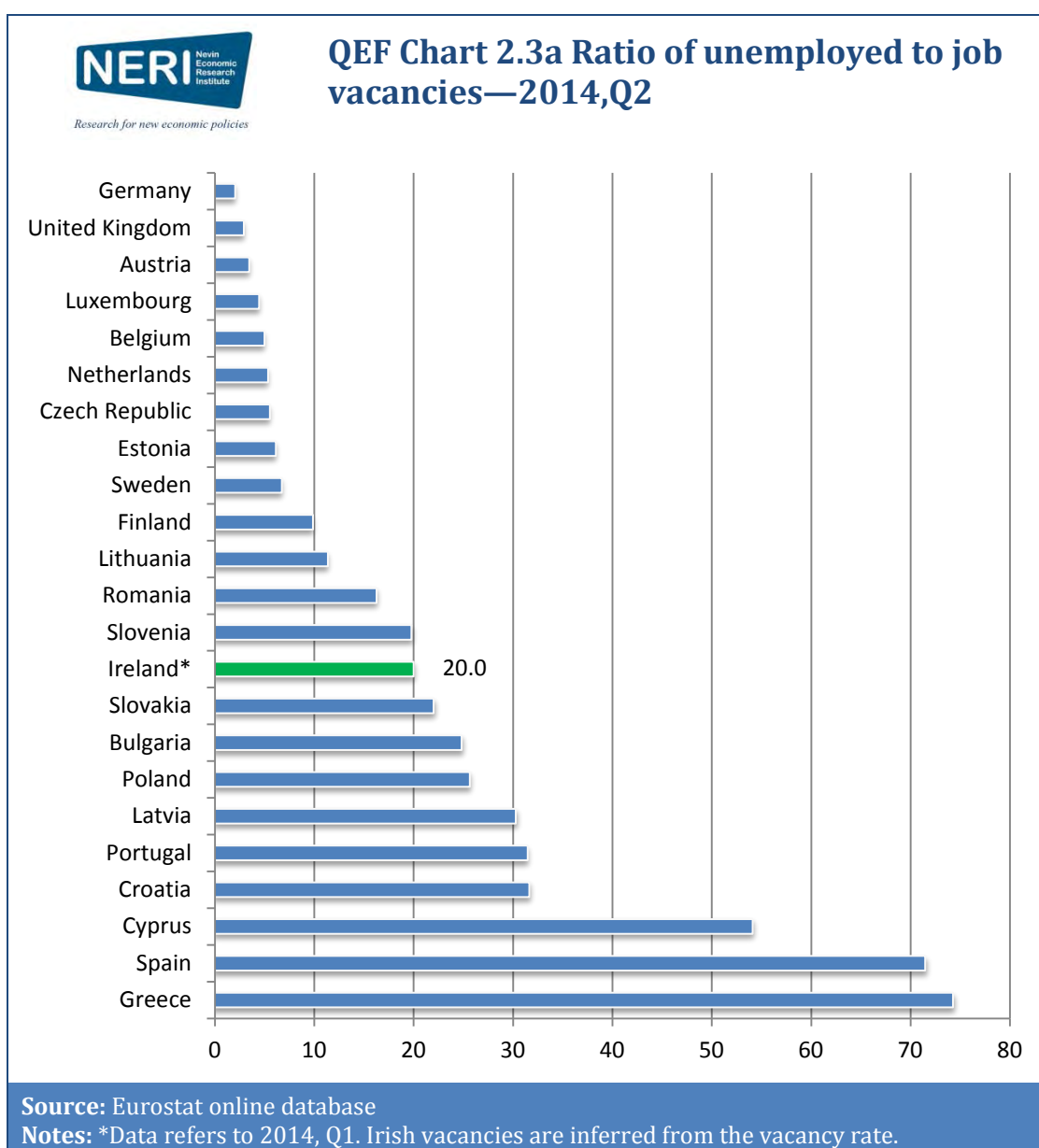
Northern Ireland Statistics and Research Agency http://www.detini.gov.uk/deti-stats-index/labour_market_statistics.htm and Eurostat online database <http://epp.eurostat.ec.europa.eu> [une_ltu_q]

Indicator 2.3a Unemployed Persons per Job Vacancy (Republic of Ireland)

Indicator defined

Ratio of the number of unemployed to the number of job vacancies

Data is the latest available as of 9 March 2015.



QEF Table 2.3a Ratio of unemployed to job vacancies in the second quarter of 2014

Country	Ratio	Country	Ratio
Greece	74.3	Lithuania	11.4
Spain	71.5	Finland	9.9
Cyprus	54.1	Sweden	6.7
Croatia	31.6	Estonia	6.1
Portugal	31.5	Czech Republic	5.5
Latvia	30.3	Netherlands	5.4
Poland	25.7	Belgium	5.0
Bulgaria	24.8	Luxembourg	4.5
Slovakia	22.0	Austria	3.5
Ireland*	20.0	United Kingdom	2.9
Slovenia	19.8	Germany	2.1
Romania	16.3		

Notes: *Data refers to 2014Q1. Irish vacancies are inferred from the vacancy rate.

Interpretation

The ratio of unemployed to job vacancies is an inverse measure of the extent of labour market tightness. The higher the ratio, the less opportunity unemployed individuals have to find employment.

Technical Notes

Data are published by the European Commission on a quarterly basis. Two sources are used for this indicator: the EU Job Vacancy survey and the Labour Force Survey (both undertaken by Eurostat).

Stock of *unemployed*: unadjusted, age 15-74. ILO definition.

Stock of *job vacancies*: number of paid posts that are newly created, unoccupied, or about to become vacant for which the employer is taking active steps and is prepared to take further steps to find a suitable candidate from outside the enterprise concerned, and which the employer intends to fill either immediately or within a specific period of time. Agriculture is excluded from the stock of job vacancies. Data are not available for Denmark, Greece, Spain, France, Italy, Malta, Poland or Finland.

Source(s)

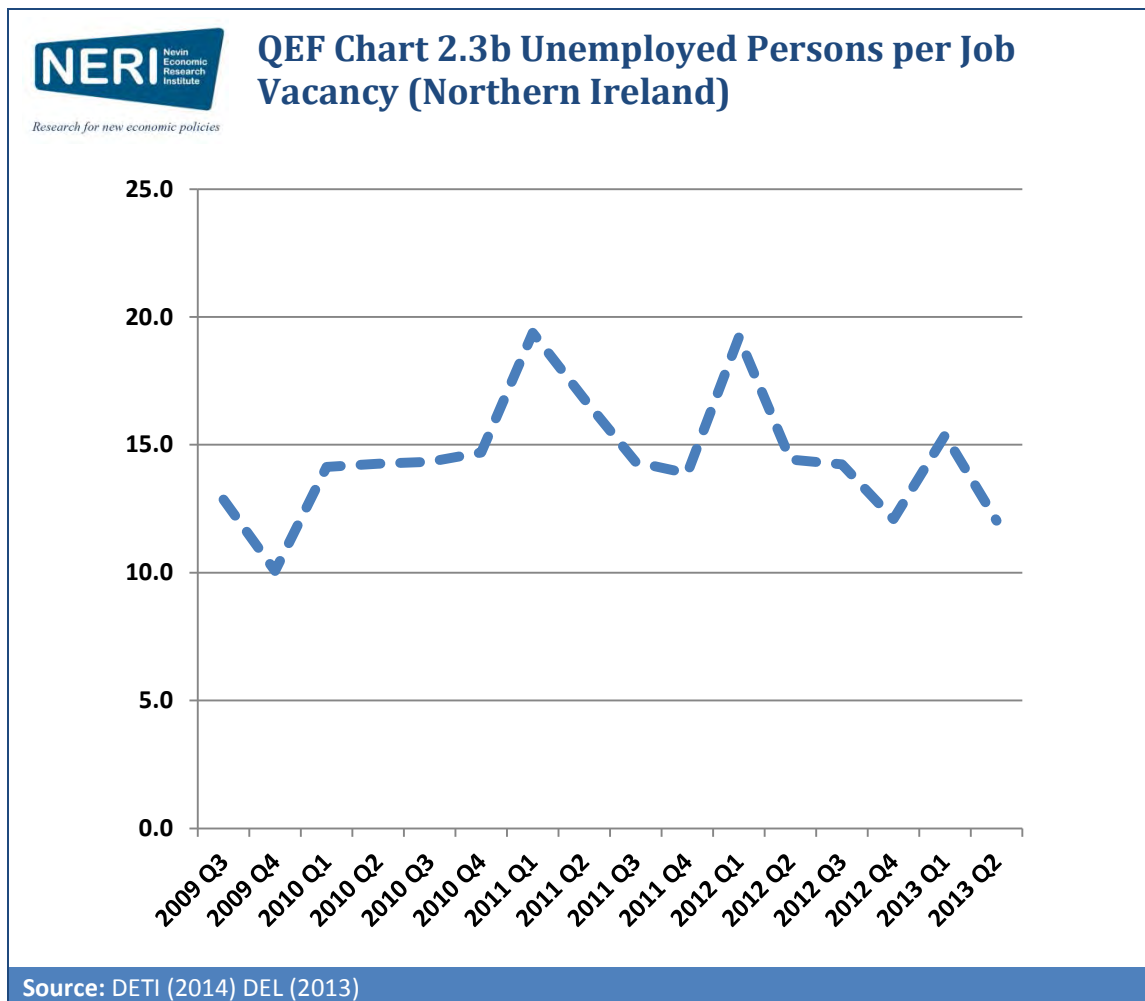
Eurostat online database <http://epp.eurostat.ec.europa.eu> (jvs_q_nace2 and lfsq_ugan)

Indicator 2.3b Unemployed Persons per Job Vacancy (Northern Ireland)

Indicator defined

Ratio of number of unemployed persons (16yrs+) per notified job vacancy in Northern Ireland

Data is the latest available as of 12 March 2015





**QEF Table 2.3 Unemployed
Persons per Job Vacancy
(Northern Ireland)**

Quarter	No.'s Unemployed	No. of Vacancies	Unemployed per Vacancy
2009 Q3	57,000	4,432	12.9
2009 Q4	55,000	5,462	10.1
2010 Q1	58,000	4,104	14.1
2010 Q2	68,000	4,769	14.3
2010 Q3	62,000	4,326	14.3
2010 Q4	63,000	4,286	14.7
2011 Q1	62,000	3,200	19.4
2011 Q2	62,000	3,693	16.8
2011 Q3	58,000	4,048	14.3
2011 Q4	66,000	4,753	13.9
2012 Q1	67,000	3,490	19.2
2012 Q2	68,000	4,715	14.4
2012 Q3	70,000	4,918	14.2
2012 Q4	64,000	5,293	12.1
2013 Q1	63,000	4,097	15.4
2013 Q2	64,000	5,318	12.0
Source:	Quarterly statistics represent three moth averages		
Note:	NI Labour Force Survey; DEL Vacancy Statistics		

Interpretation

Vacancy statistics are an important measure of the surplus demand for labour in the economy while unemployment numbers represent an important measure of the surplus supply of labour in the economy. Taken together these statistics can indicate the degree to which the economy suffers from a lack of supply or a lack of demand. In Northern Ireland for the last four years has suffered from a lack of demand in the economy with 12 unemployed persons available for every 1 job vacancy. This down from a high of 19 in 2012, but up from a low of 10.1 in 2009.

Technical Notes

The number of unemployed persons is those aged 16 and over who meet ILO definition of unemployment. Vacancies are defined as those notified to Job Centres/Jobs & Benefits Offices of the Department for Employment and Learning that have been placed or cancelled. This includes vacancies filled by Job Centres/Jobs & Benefits Offices or other recruitment channels and vacancies that have been withdrawn.

Source(s)

Unemployment: Northern Ireland Labour Force Survey [DETI Labour Market Statistics](#) (LFS Key Data Historical Series 1995 - Present).

Vacancies: Department of Employment and Learning [Statistics and Research](#)

Indicator 2.4 Youth Unemployment across European Union Member States

Indicator defined

Total unemployed under the age of 25 as a percentage of the corresponding Labour Force (ILO definition)

Data is the latest available as of 9 March 2015

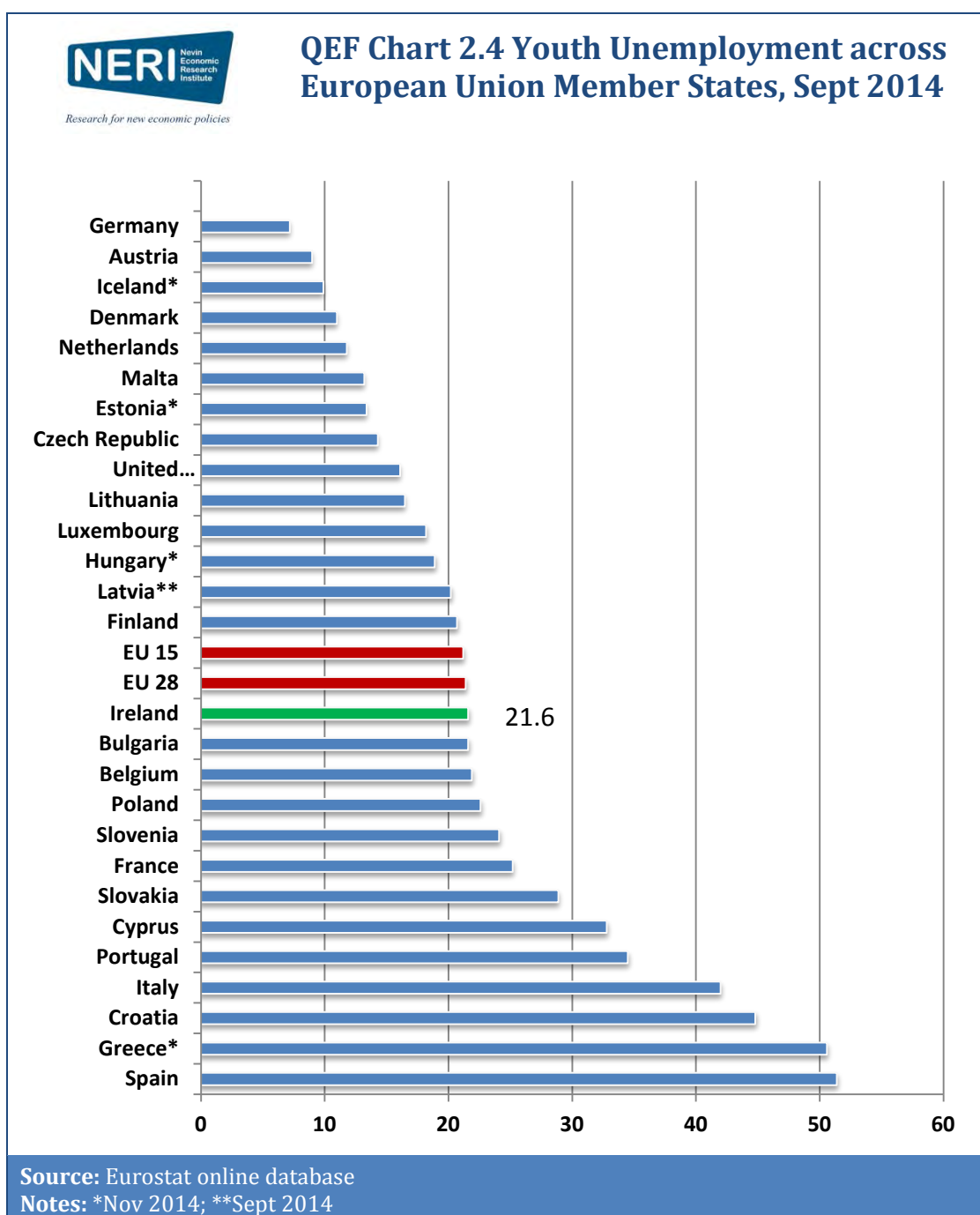


Table 2.4 Rates of Unemployment among persons aged < 25, Sept 2014

Country	%	Country	%
Spain	51.4	Hungary*	18.9
Greece*	50.6	Luxembourg	18.2
Croatia	44.8	Lithuania	16.5
Italy	42	United Kingdom*	16.1
Portugal	34.5	Czech Republic	14.3
Cyprus	32.8	Estonia*	13.4
Slovakia	28.9	Malta	13.2
France	25.2	Netherlands	11.8
Slovenia	24.1	Denmark	11
Poland	22.6	Iceland*	9.9
Belgium	21.9	Austria	9
Bulgaria	21.6	Germany	7.2
Ireland	21.6	EU 28	21.4
Finland	20.7	EU 15	21.2
Latvia**	20.2		

Notes: Data from *June 2014; **August 2014

Interpretation

The rate of youth unemployment (for persons under the age of 25) is, on average, over twice the rate for all persons. However, in some Member States it is currently over one half of the entire young labour force.

Technical Notes

See notes for Indicator 2.1, above.

Source(s)

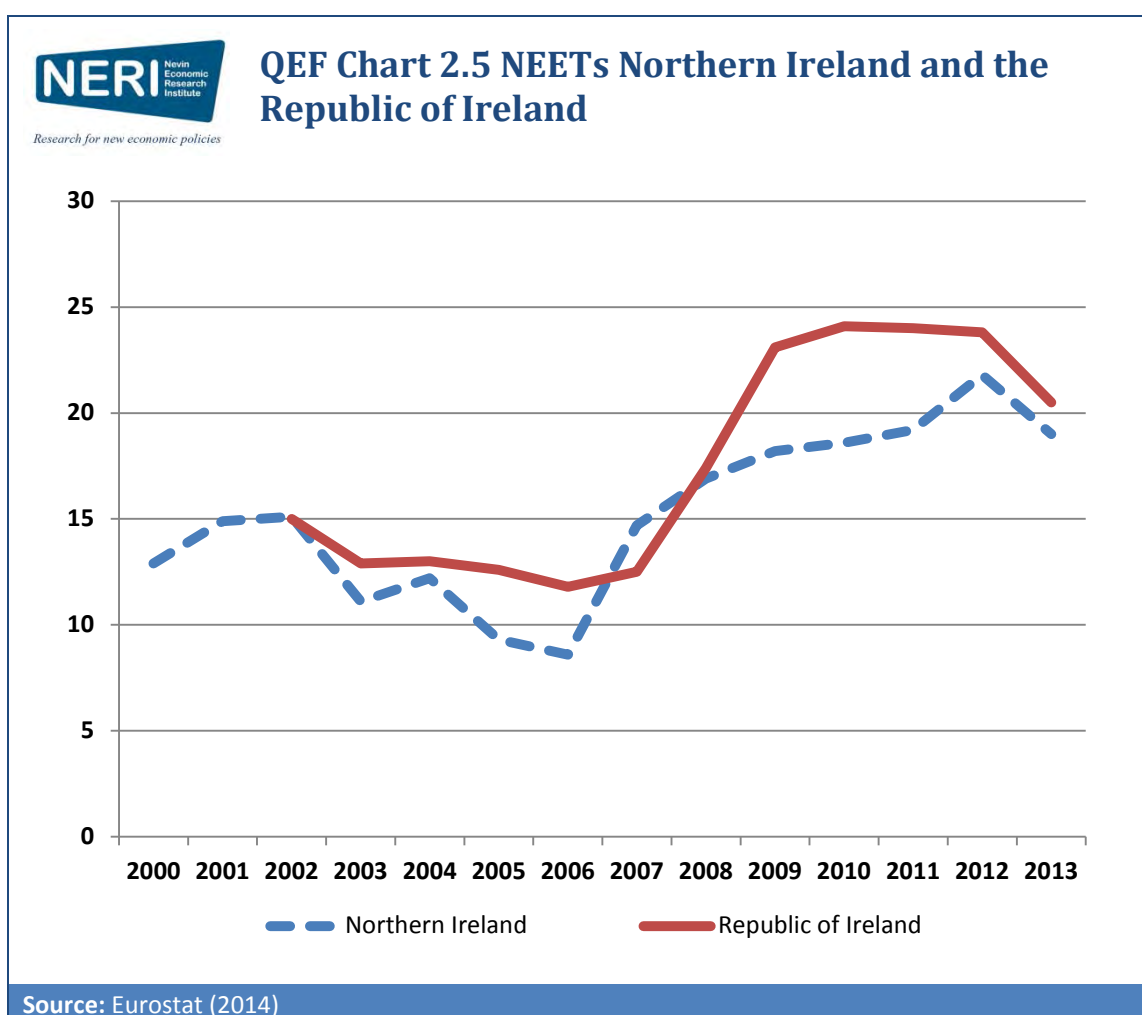
Eurostat online database <http://epp.eurostat.ec.europa.eu> (code une_rt_m).

Indicator 2.5 Young People Not in Education, Employment or Training (NEETs), ROI and NI

Indicator defined

Percentage of young people aged 18-24 not in employment and not in any education and training

Data is the latest available as of 12 March 2015





**QEF Table 2.5 NEETs
Northern Ireland and the
Republic of Ireland**

Year	NI	Rep. of Ireland
2000	12.9	-
2001	14.9	-
2002	15.1	15
2003	11.1	12.9
2004	12.2	13.0
2005	9.3	12.6
2006	8.6	11.8
2007	14.7	12.5
2008	16.9	17.4
2009	18.2	23.1
2010	18.6	24.1
2011	19.2	24.0
2012	21.8	23.8
2013	19.0	20.5

Source: Eurostat (2014)

Interpretation

NEET describes a situation where a young person is unemployed and not engaged in any education or training. This situation could lead to a state of permanent detachment from the labour market as the individual lacks experience or the training and skills necessary to gain employment. The NEET rate as described in the graph and table above shows the picture across the island of Ireland. The rate increased significantly in both jurisdictions since 2007, peaking in 2012. The rate has begun to decrease in 2013, but remains in the region of 20% North and South. It is also important to note that the rate in both jurisdictions was 15% in 2001 during relatively benign economic circumstances.

Technical Notes

The indicator corresponds to the percentage of the population of a given age who are not employed and not involved in further education or training. The numerator of the indicator refers to persons who meet the following two conditions: (a) they are not employed (i.e. unemployed or inactive according to the International Labour Organisation definition) and (b) they have not received any education or training in the four weeks preceding the survey. The denominator is the total population.

Source(s)

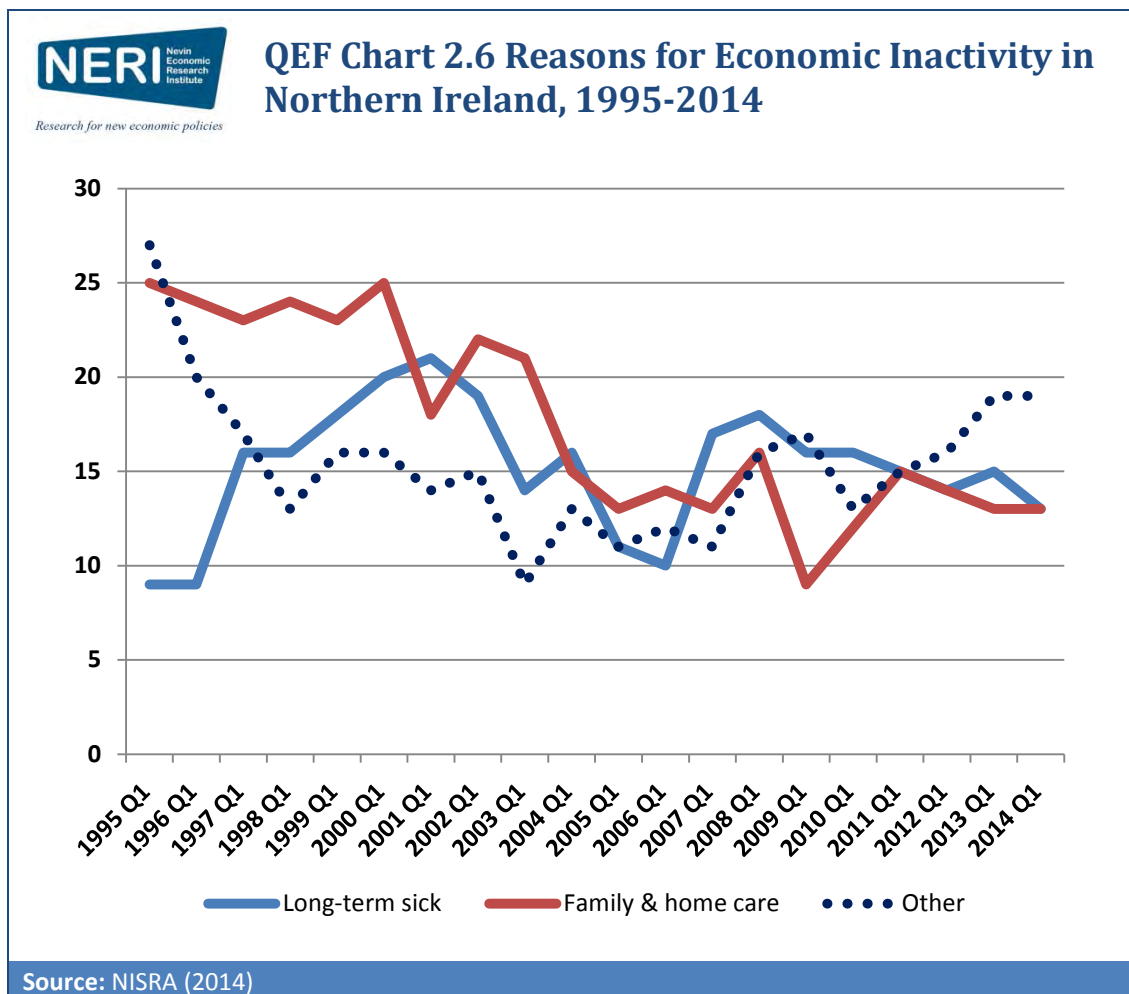
Eurostat online database <http://epp.eurostat.ec.europa.eu> (edat_lfse_22)

Indicator 2.6 A Profile of Economic Inactivity among those who want to work in Northern Ireland

Indicator defined

Reasons for economic inactivity in Northern Ireland among those who want to work

Data is the latest available as of 12 March 2015





QEF Table 2.6 Reasons for Economic Inactivity, 1995-2014 (000's of workers)

Quarter	Long-term sick	Family & home care	Other
1995 Q1	9	25	27
1996 Q1	9	24	20
1997 Q1	16	23	17
1998 Q1	16	24	13
1999 Q1	18	23	16
2000 Q1	20	25	16
2001 Q1	21	18	14
2002 Q1	19	22	15
2003 Q1	14	21	9
2004 Q1	16	15	13
2005 Q1	11	13	11
2006 Q1	10	14	12
2007 Q1	17	13	11
2008 Q1	18	16	16
2009 Q1	16	9	17
2010 Q1	16	12	13
2011 Q1	15	15	15
2012 Q1	14	14	16
2013 Q1	15	13	19
2014 Q1	13	13	19

Source: NISRA (2014)

Interpretation

The indicator gives reasons for economic inactivity among those who want a job. Northern Ireland has higher levels of economic inactivity compared to the UK. What the data show is a significant decline in family and long-term illness as reasons for economic inactivity. The increase in “other” reasons suggests that further specific research is required to investigate what those reasons might be.

Technical Notes

The grouping above is taken from economically inactive workers aged 16+. Of these the graph and chart are based on those who want a job but had not sought employment in the previous four weeks.

Source(s)

NISRA (2014) [LFS Key Historical Data Series \(1995-Present\)](#)

3 Labour Costs and Earnings

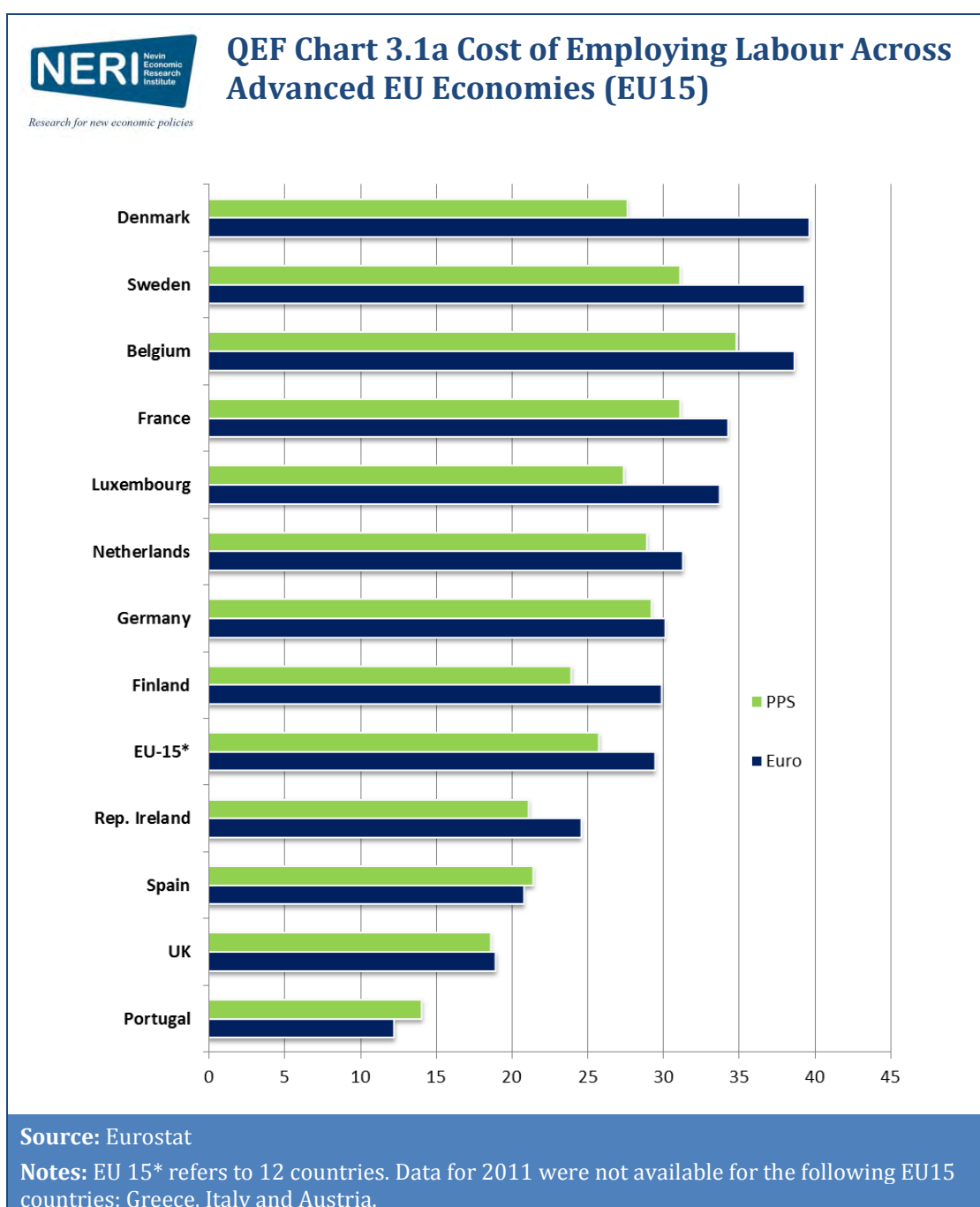
<i>Indicator 3.1a</i>	Cost of Employing Labour Across Advanced EU Economies (EU15)
<i>Indicator 3.1b</i>	Cost of Employing Labour in the Accommodation and Food Sectors Across Advanced EU Economies (EU15)
<i>Indicator 3.1c</i>	Cost of Employing Labour in the Wholesale and Retail Trade Sectors Across Advanced EU Economies (EU15)
<i>Indicator 3.1d</i>	Cost of Employing Labour in the Manufacturing Sectors Across Advanced EU Economies (EU15)
<i>Indicator 3.2</i>	Comparisons of National Minimum Wage across the EU
<i>Indicator 3.3a</i>	Trends in Earnings and Prices (Republic of Ireland)
<i>Indicator 3.3b</i>	Trends in Earnings and Prices (Northern Ireland)
<i>Indicator 3.4</i>	Gender Pay Gap across the EU

Indicator 3.1a Cost of Employing Labour across Advanced EU Economies (EU15)

Indicator defined

Hourly cost of employing labour for the Business Economy (Euro with, and without, adjustment for differences in cost of living PPS)

Data is the latest available as of 11 March 2015





**QEF Table 3.1a Cost of Employing Labour
Across Advanced EU Economies (EU15)**

Country	€	€PPS
Denmark	39.61	27.61
Sweden	39.28	31.07
Belgium	38.65	34.82
France	34.26	31.09
Luxembourg	33.68	27.39
Netherlands	31.29	28.92
Germany	30.10	29.18
Finland	29.86	23.94
Rep. Ireland	24.57	21.12
Spain	20.80	21.41
UK	18.95	18.59
Portugal	12.25	14.07
EU-15*	29.44	25.77

Source: Eurostat online database

Notes: *Data for 2011 were not available for the following EU15 countries: Greece, Italy and Austria. Therefore, average is for 12 countries only.

Interpretation

Comparative data on what it costs to employ labour may be presented in a number of ways. In this presentation the focus is on the cost per hour adjusted, and not adjusted, for differences in the cost of living in a country as measured by PPS – the purchasing power standard estimated by Eurostat. The PPS method attempts to correct for differences in prices between countries.

Technical Notes

The total business economy includes all sectors of industry and services excluding public administration. Agriculture is not included. Cost data is hourly and for firms with 10 or more employees.

Source(s)

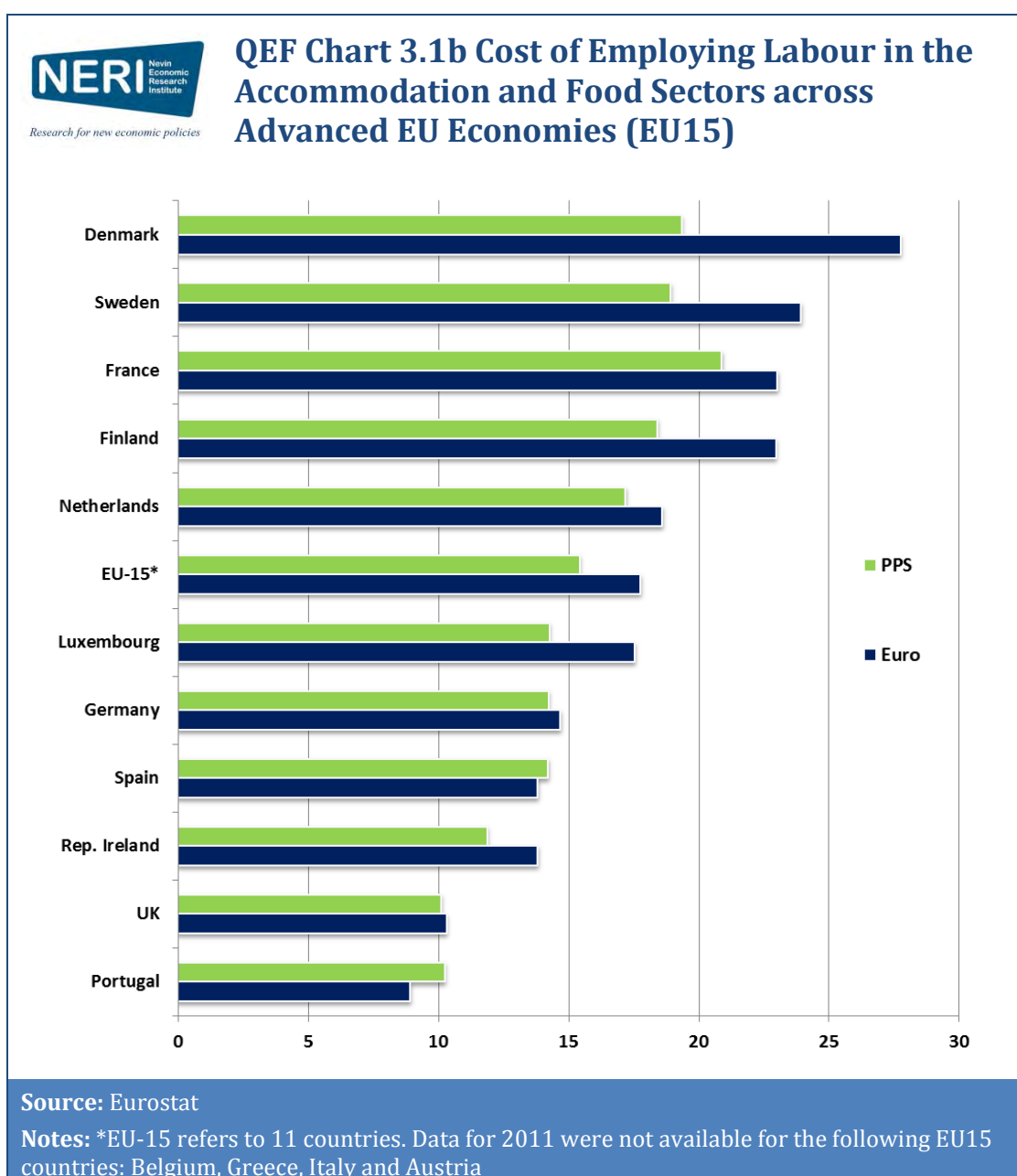
Eurostat online database, Labour Costs – Annual Data [lc_an_cost_r2]

Indicator 3.1b Cost of Employing Labour in the Accommodation and Food Sectors across Advanced EU Economies (EU15)

Indicator defined

Hourly cost of employing labour for the Accommodation and Food Sector (Euro with, and without, adjustment for differences in cost of living PPS)

Data is the latest available as of 11 March 2015





QEF Table 3.1b Cost of Employing Labour in the Accommodation and Food Sectors across Advanced EU Economies (EU15)

Country	€	€PPS
Denmark	27.78	19.36
Sweden	23.95	18.94
France	23.05	20.91
Finland	22.98	18.43
Netherlands	18.62	17.21
Luxembourg	17.56	14.28
Germany	14.70	14.25
Rep. Ireland	13.83	11.89
Spain	13.83	14.23
United Kingdom	10.32	10.12
Portugal	8.93	10.26
EU-15*	17.78	15.44
Source: Eurostat online database		
Notes: *EU-15 refers to 11 countries. Data for 2011 were not available for the following EU15 countries: Belgium, Greece, Italy and Austria		

Interpretation

See interpretation for indicator 3.1a.

Technical Notes

See notes for indicator 3.1a.

Source(s)

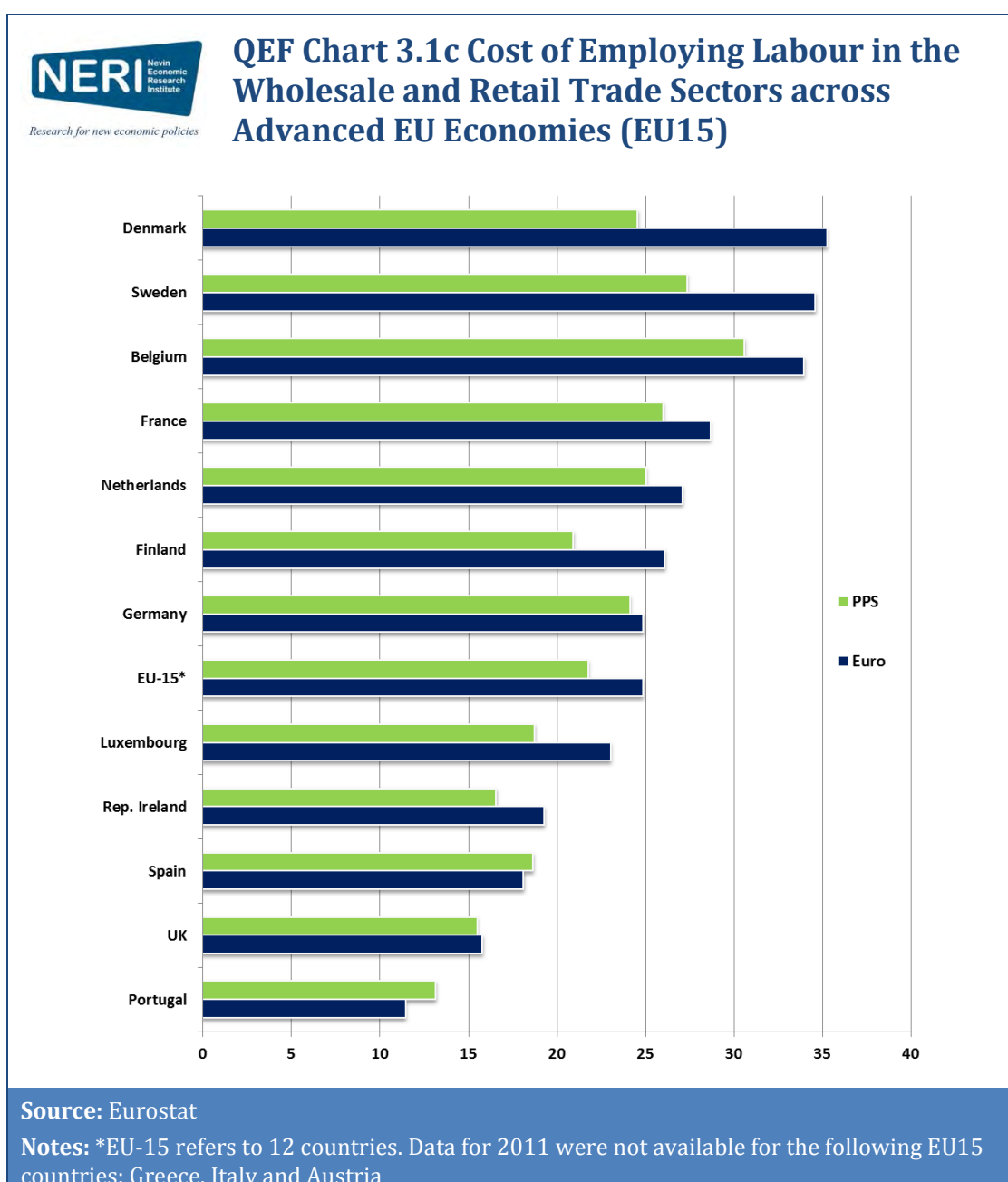
Eurostat online database, Labour Costs – Annual Data [lc_an_cost_r2]

Indicator 3.1c Cost of Employing Labour in the Wholesale and Retail Trade Sectors across Advanced EU Economies (EU15)

Indicator defined

Hourly cost of employing labour in the wholesale and retail trade including the repair of motor vehicles and motorcycles sector (Euro with, and without, adjustment for differences in cost of living PPS)

Data is the latest available as of 11 March 2015





QEF Table 3.1c Cost of Employing Labour in the Wholesale and Retail Trade Sectors across Advanced EU Economies (EU15)

Country	€	€PPS
Denmark	35.27	24.58
Sweden	34.61	27.37
Belgium	33.98	30.61
France	28.68	26.02
Netherlands	27.10	25.05
Finland	26.12	20.94
Germany	24.90	24.14
Luxembourg	23.05	18.75
Rep. Ireland	19.30	16.59
Spain	18.14	18.67
United Kingdom	15.82	15.51
Portugal	11.47	13.17
EU-15*	24.87	21.78

Source: Eurostat online database

Notes: *EU-15 refers to 12 countries. Data for 2011 were not available for the following EU15 countries: Greece, Italy and Austria

Interpretation

See interpretation for indicator 3.1a.

Technical Notes

See notes for indicator 3.1a.

Source(s)

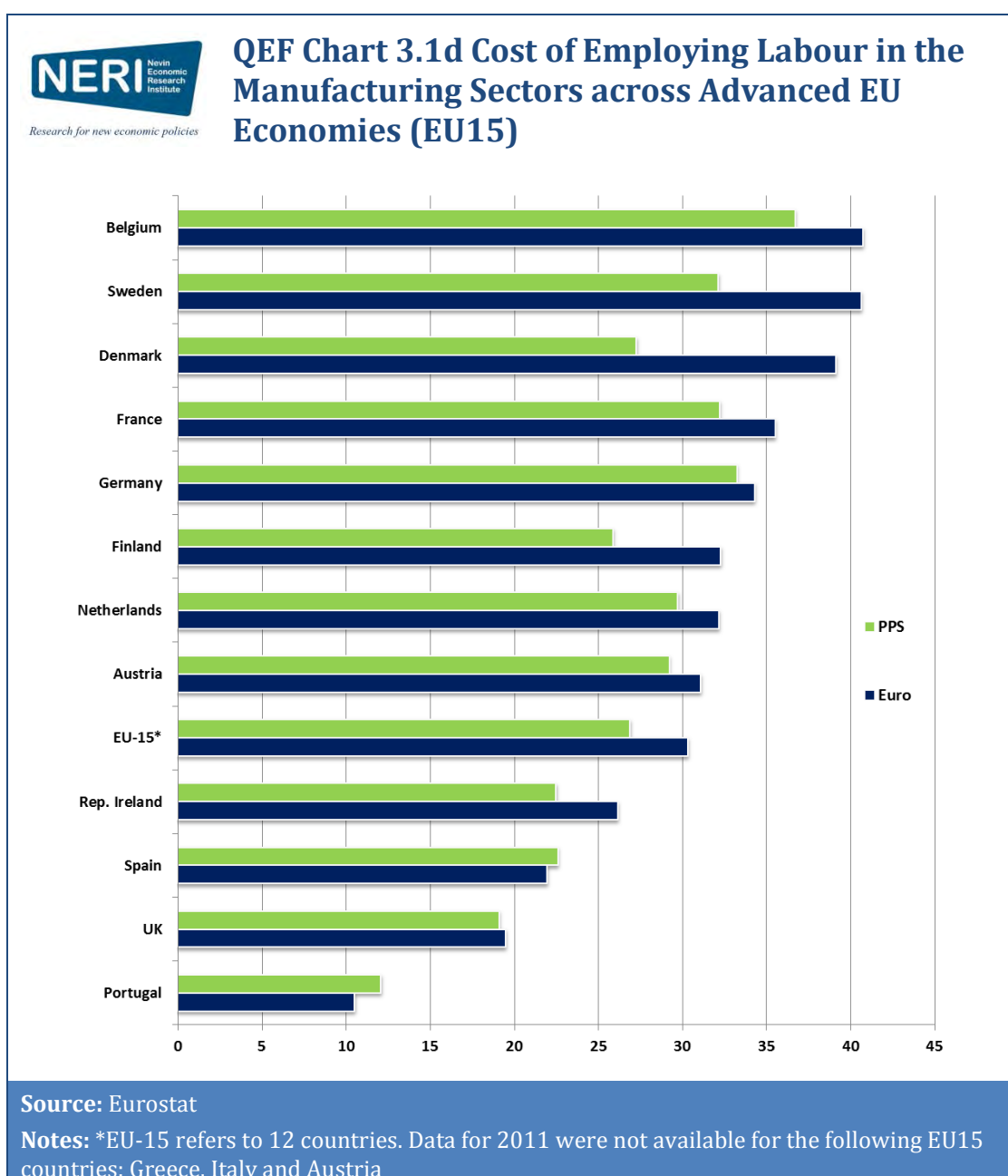
Eurostat online database, Labour Costs – Annual Data [lc_an_cost_r2]

Indicator 3.1d Cost of Employing Labour in the Manufacturing Sectors across Advanced EU Economies (EU15)

Indicator defined

Hourly cost of employing labour in the wholesale and retail trade including the repair of motor vehicles and motorcycles sector (Euro with, and without, adjustment for differences in cost of living PPS)

Data is the latest available as of 11 March 2015





QEF Table 3.1d Cost of Employing Labour in the Manufacturing Sectors across Advanced EU Economies (EU15)

Country	€	€PPS
Belgium	40.75	36.71
Sweden	40.65	32.15
Denmark	39.14	27.28
France	35.52	32.23
Germany	34.30	33.25
Finland	32.29	25.89
Netherlands	32.18	29.74
Austria	31.10	29.23
Rep. Ireland	26.17	22.50
Spain	21.97	22.61
UK	19.50	19.12
Portugal	10.53	12.09
EU-15*	30.34	26.90

Source: Eurostat online database

Notes: *EU-15 refers to 12 countries. Data for 2011 were not available for the following EU15 countries: Greece, Italy and Austria

Interpretation

See interpretation for indicator 3.1a.

Technical Notes

See notes for indicator 3.1a.

Source(s)

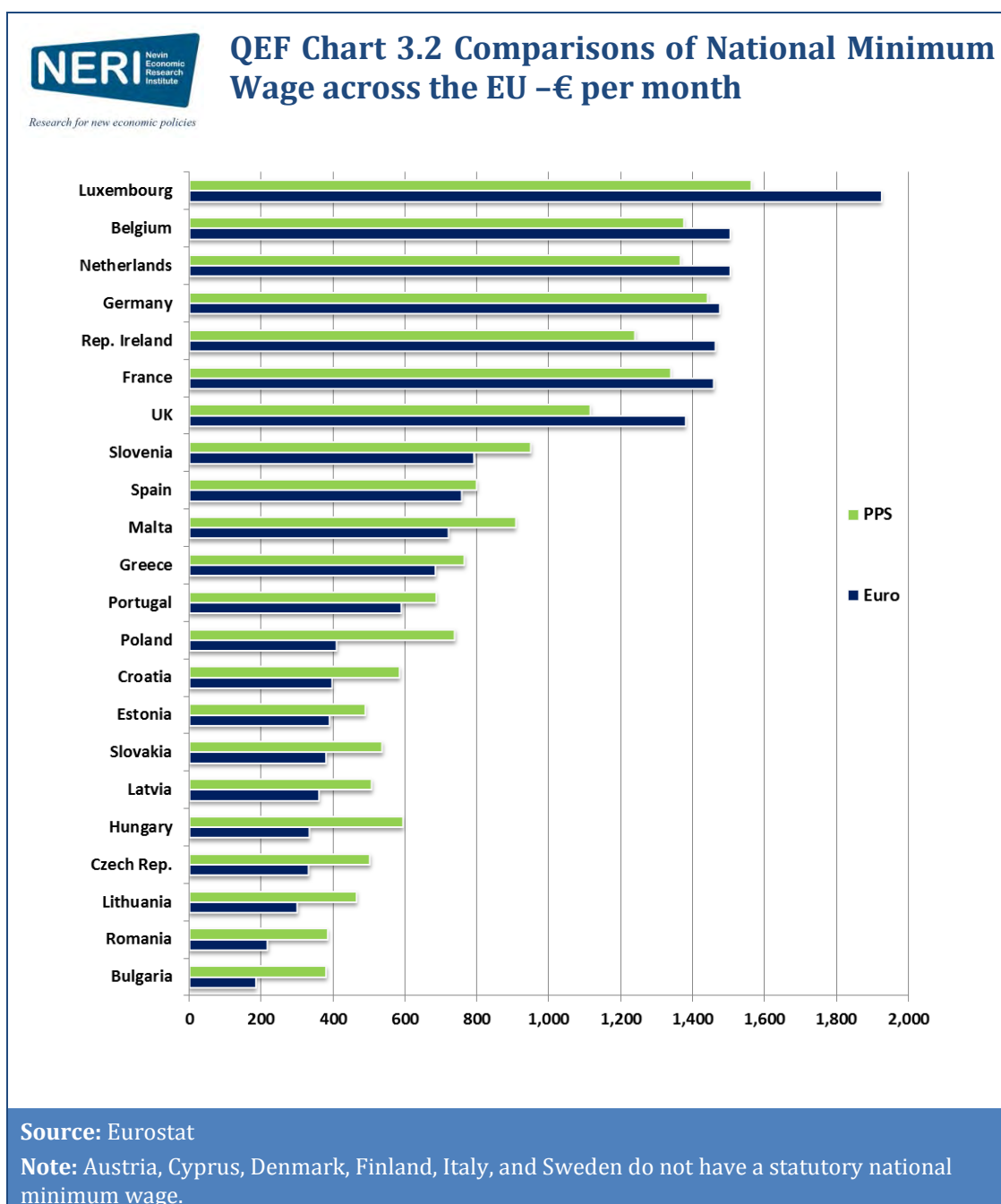
Eurostat online database, Labour Costs – Annual Data [lc_an_cost_r2]

Indicator 3.2 Comparisons of National Minimum Wage across the EU

Indicator defined

Monthly national minimum wages across the EU (Euro with, and without, adjustment for differences in cost of living PPS)

Data is the latest available as of 11 March 2015



QEF Table 3.2 Comparisons of National Minimum Wage across the EU, € per month

Country	2007	2015	Country	2007	2015
Belgium	1,259.00	1,501.82	Luxembourg	1,570.28	1,922.96
Bulgaria	92.03	184.07	Malta	601.90	720.46
Croatia	n/a	395.61	Netherlands	1,300.80	1,501.80
Czech Rep.	291.07	331.71	Poland	244.32	409.53
Estonia	230.08	390.00	Portugal	470.17	589.17
France	1,254.28	1,457.52	Rep. Ireland	1,402.70	1,461.85
Germany	n/a	1,473.00	Romania	115.27	217.50
Greece	730.30	683.76	Slovakia	220.71	380.00
Hungary	260.16	332.76	Slovenia	521.80	790.73
Latvia	172.12	360.00	Spain	665.70	756.70
Lithuania	173.77	300.00	UK	1,314.97	1,378.87

Source: Eurostat online database

Notes: Austria, Cyprus, Denmark, Finland, Italy, and Sweden do not have a statutory national minimum wage. Data for 2007 is for the first half of that year.

Interpretation

National monthly minimum wages, adjusted for prices, reflect the minimum standard of living that a full-time employed worker can expect. Minimum wages (adjusted or not for prices) are not an ideal measure of labour cost competitiveness. This is as: many high pay countries without statutory minimum wages have de facto minimum wages; minimum wages do not include other labour costs, such as social insurance; and monthly wages depend on hours worked which vary across countries. In general, labour costs data gives a better indication of labour cost competitiveness (see indicators 3.1a, 3.1b, 3.1c, 3.1d).

Technical Notes

Belgium and Greece have a national minimum wage which is set by national intersectoral agreements. Eurostat includes both countries in the data collection as the minimum wage is fairly universal in coverage. For Ireland, France, the United Kingdom and Germany the minimum wage is fixed at an hourly rate, and for Malta the minimum wage is fixed at a weekly rate. These have been converted to a monthly rate. Germany introduces its minimum wage from 1st January 2015.

Source(s)

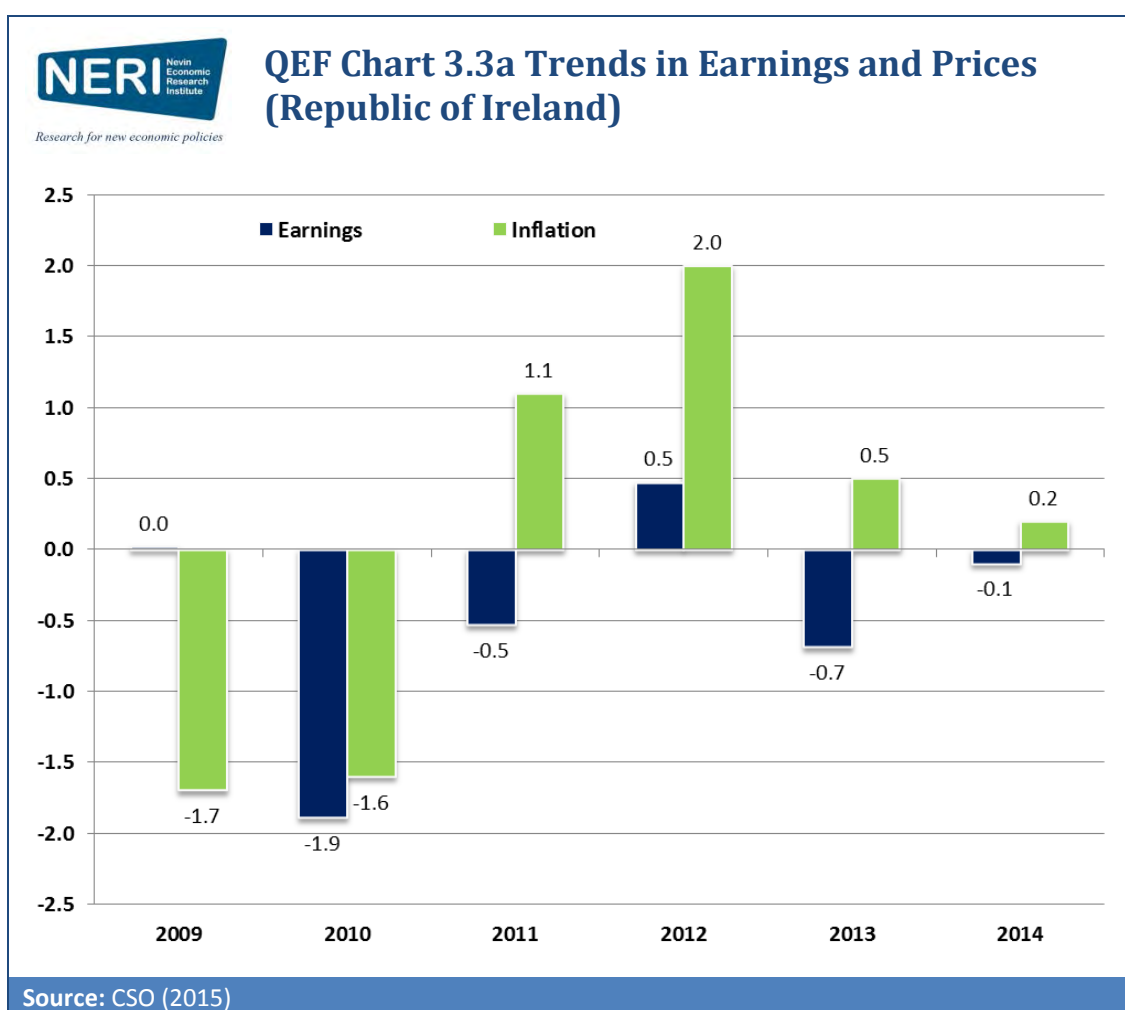
Eurostat online database, Minimum wages [code earn_mw_cur]

Indicator 3.3a Trends in Earnings and Prices (Republic of Ireland)

Indicator defined

Comparing the annual % change in the average weekly wage in the Republic of Ireland and the annual % change in inflation

Data is the latest available as of 12th March 2015





QEF Table 3.3a Trends in Earnings and Prices (Republic of Ireland)

Year	Earnings	Inflation
2009	0.0	-1.7
2010	-1.9	-1.6
2011	-0.5	1.1
2012	0.5	2.0
2013	-0.7	0.5
2014	-0.1	0.2
Source: CSO (2014)		
Note: Inflation rate refers to HCPI		

Interpretation

Wages in the Republic of Ireland were hit by the recession and fell in absolute terms in both 2010 and 2011, and again in 2013 and 2014. In 2010 the 1.9% fall in average weekly earnings was somewhat mitigated by a reduction of 1.6% in the rate of inflation. However, in 2011, 2013 and 2014 inflation growth was positive and so the reduction in nominal wages was compounded by a fall in real wages i.e. wages adjusted for changes in prices. The experience of wages in the Republic of Ireland is more severe than that of Northern Ireland but as indicator 3.3b shows, the growth in inflation across the UK has been much more substantial. In both jurisdictions however there has been a significant cumulative reduction in real wages, which will take some time to reverse.

Technical Notes

The measure of inflation used is the Consumer Price Index. The earnings data is from the EHECS or Earnings Hours and Employment Costs Survey and only applies to employees. Earnings data is only available on a full year basis from 2009.

Source(s)

Central Statistics Office (2015), [Consumer Prices Annual Series](#)

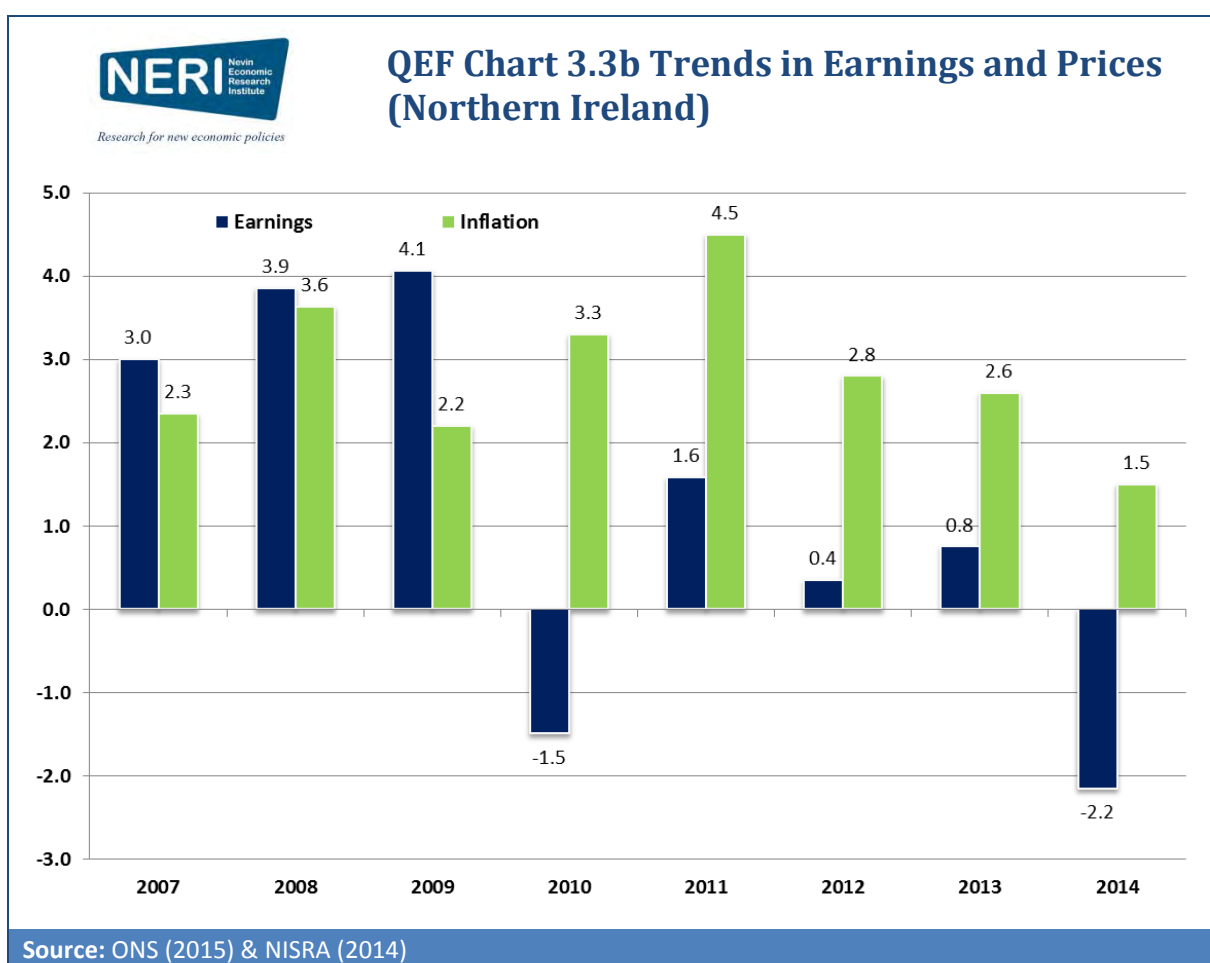
Central Statistics Office (2015), [Earnings Hours and Employment Costs Survey Quarterly](#)

Indicator 3.3b Trends in Earnings and Prices (Northern Ireland)

Indicator defined

Comparing the annual % change in the average weekly wage in Northern Ireland and the annual % change in UK wide inflation

Data is the latest available as of 12th March 2015





QEF Table 3.3b Trends in Earnings and Prices (Northern Ireland)

Year	Earnings	Inflation
2007	3.0	2.3
2008	3.9	3.6
2009	4.1	2.2
2010	-1.5	3.3
2011	1.6	4.5
2012	0.4	2.8
2013	0.8	2.6
2014	-2.2	1.5

Source: ONS (2015) NISRA (2014)
 Note: Inflation rate refers to UK CPI

Interpretation

During an economic recession we expect inflation (the rate of change in prices) to be quite moderate. However the most recent recession that began in 2008 proved quite the opposite. Inflation increased substantially reaching a high point of 4.5% in 2011, falling then to 1.5% in 2014. At the same time the recession saw large falls in wage increases across, with 1.5% reduction in average wages in 2010 and most recently a further reduction of 2.2% in 2014. The combination of the two trends means that real wages – wages adjusted for changes in prices, have fallen substantially over the period. 2009 was the last time that wages outpaced inflation, and it will require many years of string wage growth for earnings to recover the buying power that they enjoyed before 2008.

Technical Notes

The measure of inflations used is the UK. The earnings data from the Annual Survey of Hours and Earnings only applies to employees and is measured in April of each year.

Source(s)

Office for National Statistics (2015), [Consumer Price Inflation](#)

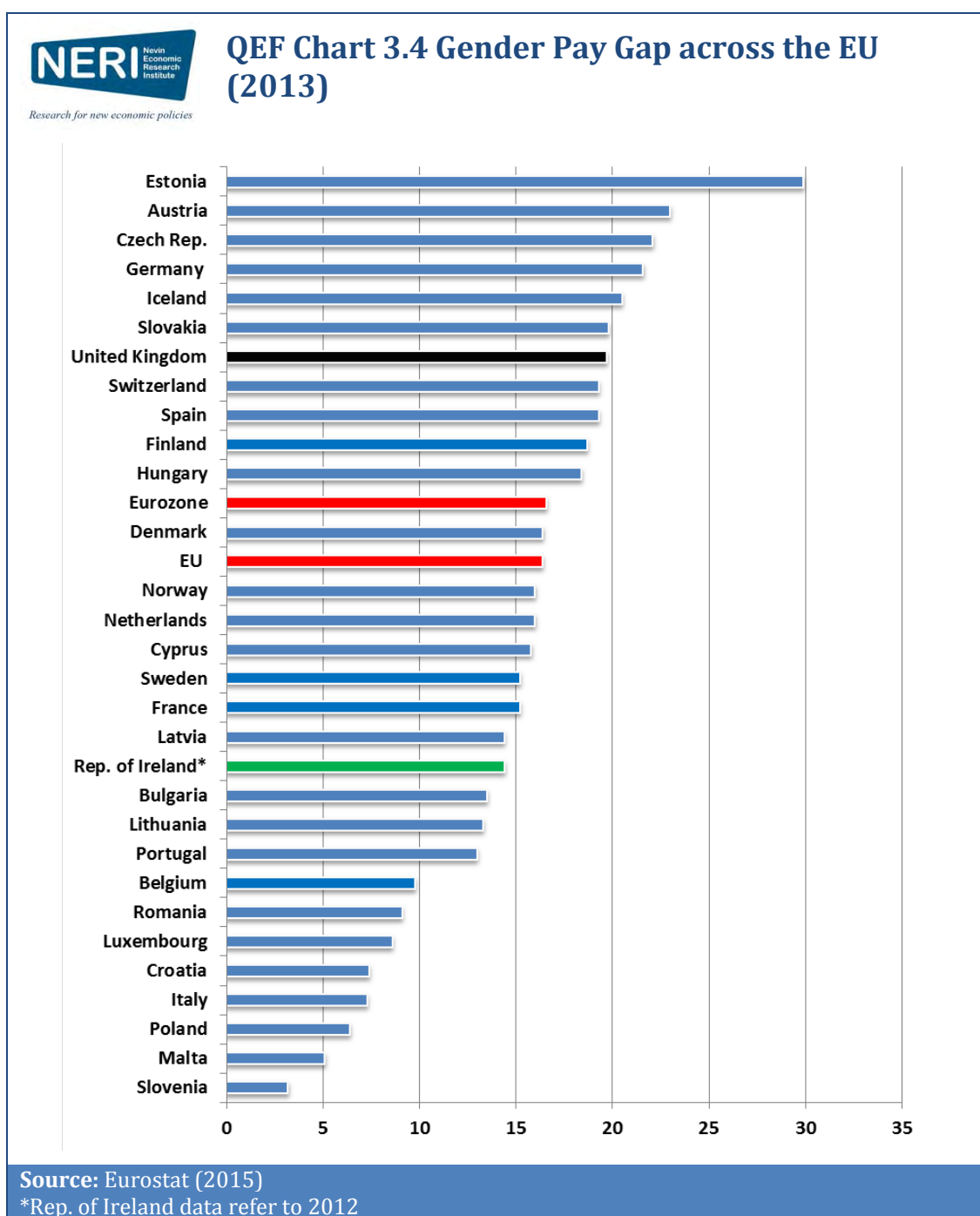
Northern Ireland Statistics and Research Agency (2014), [Annual Survey of Hours and Earnings](#)

Indicator 3.4 Gender Pay Gap across the EU

Indicator defined

The percentage difference in the average hourly earnings of males and females across the EU

Data is the latest available as of 12th March 2015



QEF Table 3.4 Gender Pay Gap across the EU (2013)

Country	%	Country	%
Slovenia	3.2	Netherlands	16
Malta	5.1	Norway	16
Poland	6.4	EU	16.4
Italy	7.3	Denmark	16.4
Croatia	7.4	Eurozone	16.6
Luxembourg	8.6	Hungary	18.4
Romania	9.1	Finland	18.7
Belgium	9.8	Spain	19.3
Portugal	13	Switzerland	19.3
Lithuania	13.3	UK	19.7
Bulgaria	13.5	Slovakia	19.8
Rep. of Ireland*	14.4	Iceland	20.5
Latvia	14.4	Germany	21.6
France	15.2	Czech Rep.	22.1
Sweden	15.2	Austria	23
Cyprus	15.8	Estonia	29.9

Source: Eurostat (201r) [earn_gr_gpgr2]

Note: *Rep. of Ireland data refer to 2012

Interpretation

The gender pay gap is the percentage difference between the average earnings of males and females. While legislation to provide “equal pay for equal work” is enshrined in EU law, in every EU country a small gap persists. Many of the reasons for this gap are explained by the type of work women are involved in which is comparatively lower paid than equivalent male roles. The EU average gender pay gap is 16.4%, which is above that of the Republic of Ireland (14.4%), but below that of the UK (19.7%).

Technical Notes

The unadjusted Gender Pay Gap (GPG) represents the difference between average gross hourly earnings of male paid employees and of female paid employees as a percentage of average gross hourly earnings of male paid employees. The population consists of all paid employees in enterprises with 10 employees or more in NACE Rev. 2 aggregate B to S (excluding O) - before reference year 2008: NACE Rev. 1.1 aggregate C to O (excluding L).

Source(s)

Eurostat online database <http://ec.europa.eu/eurostat/data/database> earn_gr_gpgr2

4 Distribution of Income, Earnings and Wealth

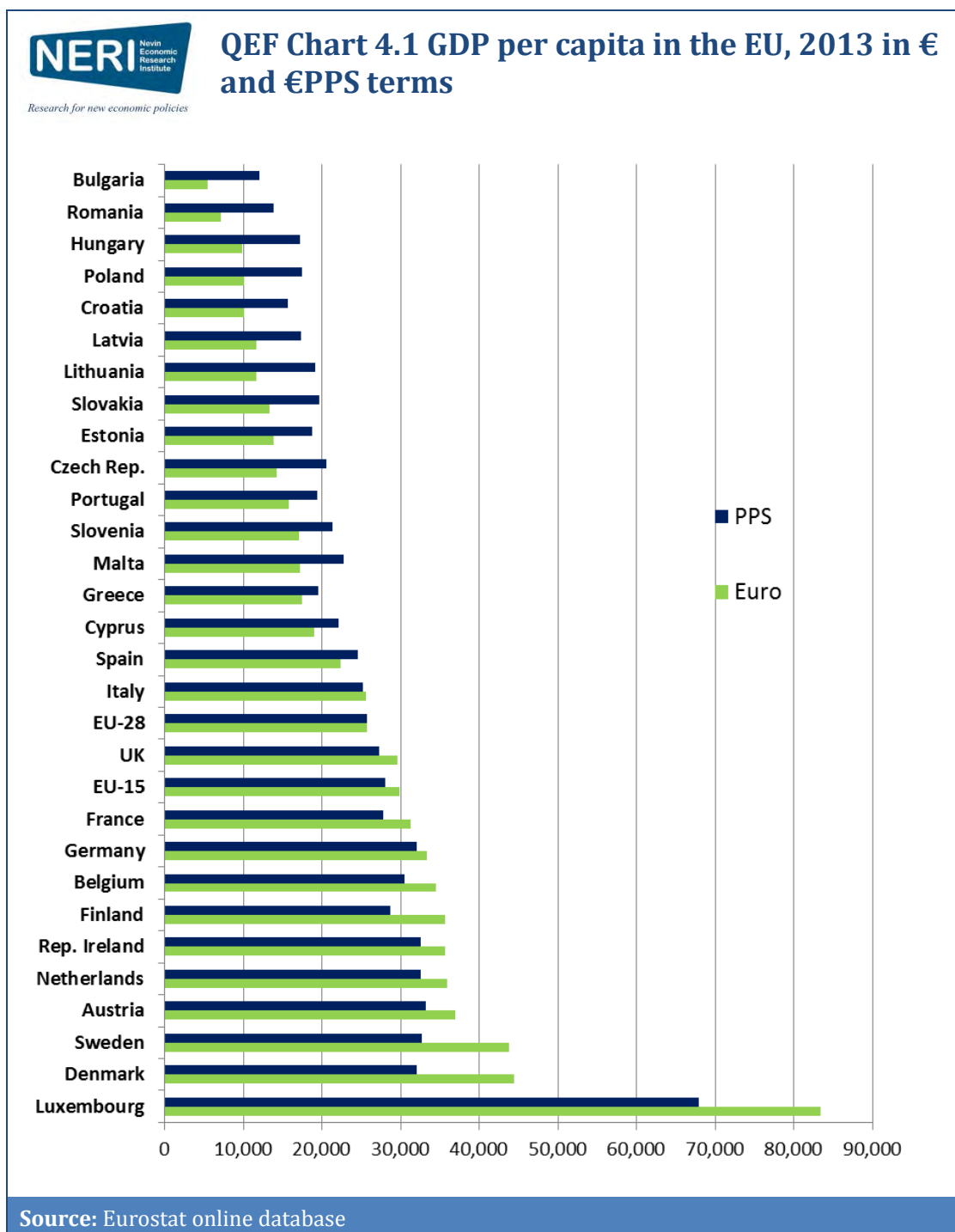
<i>Indicator 4.1</i>	Income per capita in the EU
<i>Indicator 4.2a</i>	Income Distribution over Time (Republic of Ireland)
<i>Indicator 4.2b</i>	Income Distribution over Time (Northern Ireland)
<i>Indicator 4.3a</i>	Average and Median income over Time and by Gender (Republic of Ireland)
<i>Indicator 4.3b</i>	Average and Median income over Time and by Household Type (Northern Ireland)
<i>Indicator 4.4</i>	Wage Share as a Percentage of GDP (Selected Countries)
<i>Indicator 4.5a</i>	Distribution of Earnings (Republic of Ireland)
<i>Indicator 4.5b</i>	Distribution of Earnings (Northern Ireland)
<i>Indicator 4.6</i>	Net Wealth per Household across Eurozone countries
<i>Indicator 4.7</i>	Net Financial Assets per Capita across Selected EU countries

Indicator 4.1 Income per capita in the EU

Indicator defined

National income (GDP) in per capita (per head of population) terms expressed in Euro and adjusted for differences in cost of living (PPS)

Data is the latest available as of 11 March 2015



QEF Table 4.1 GDP per capita in the EU, 2013

Country	€	€PPS	Country	€	€PPS
Luxembourg	83,400	67,900	Malta	17,200	22,700
Denmark	44,400	32,100	Slovenia	17,100	21,300
Sweden	43,800	32,700	Portugal	15,800	19,400
Austria	37,000	33,200	Czech Rep.	14,200	20,600
Netherlands	35,900	32,600	Estonia	13,900	18,800
Rep. Ireland	35,600	32,500	Slovakia	13,300	19,600
Finland	35,600	28,700	Lithuania	11,700	19,100
Belgium	34,500	30,500	Latvia	11,600	17,300
Germany	33,300	32,000	Croatia	10,100	15,600
France	31,300	27,800	Poland	10,100	17,500
UK	29,600	27,200	Hungary	9,900	17,200
Italy	25,600	25,200	Romania	7,100	13,900
Spain	22,300	24,500	Bulgaria	5,500	12,000
Cyprus	19,000	22,100	EU-15	29,800	28,000
Greece*	17,400	19,500	EU-28	25,700	25,700
Source: Eurostat online database					
Note: *Data for Greece is for 2013					

Interpretation

GDP measures the value of all activities in the economy and the table and chart above provide values for this measure in 2013 on a per capita basis (divided by the population of the country). The GDP per capita figure for the Republic of Ireland was €35,600 in 2013, the sixth highest in the EU. Using Gross National Product, a measure which somewhat takes account of the income earned in Ireland and subsequently repatriated by multinational companies, the CSO reported Ireland's GNP per capita for 2013 as €32,337 (ESA 2010 definition). In the UK GDP per capita in 2012 was equivalent to €29,600. There are no GDP figures available for Northern Ireland.

While the above data details the average levels of income, the remainder of this section examines the distribution of that income and wealth.

Technical Notes

As the real value of a Euro differs between countries, given variations in price levels, the data is also presented in PPS terms – the purchasing power standard estimated by Eurostat. The PPS method attempts to correct for differences in prices between countries and therefore gives a more comparable picture of the buying power of income.

Source(s)

Eurostat online database, GDP per capita - Annual Data [nama_aux_gph]

Indicator 4.2a Income Distribution over Time (Republic of Ireland)

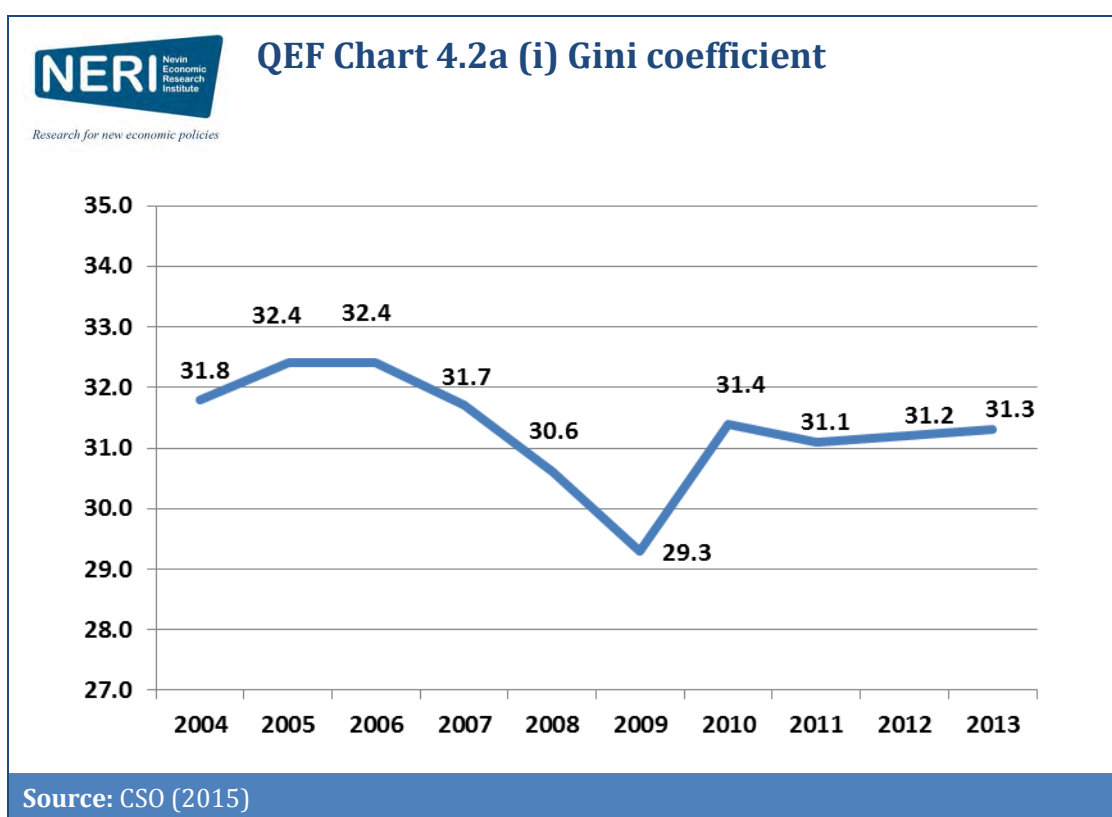
Indicators defined

Two measures are used to summarise the income distribution:

1. **The Gini coefficient** – an index ranging from 0 to 100 where 0 represents a perfectly equal distribution of income and 100 represents a perfectly unequal distribution (i.e. all the income is received by one individual).
2. **The income quintile ratio** – compares the % of the total disposable income (adjusted for household size) received by individuals in the bottom 20% (quintile) of the income distribution to that received by the top 20%.

Simply, the greater these numbers, the greater the level of income inequality.

Data is the latest available as of 11 March 2015

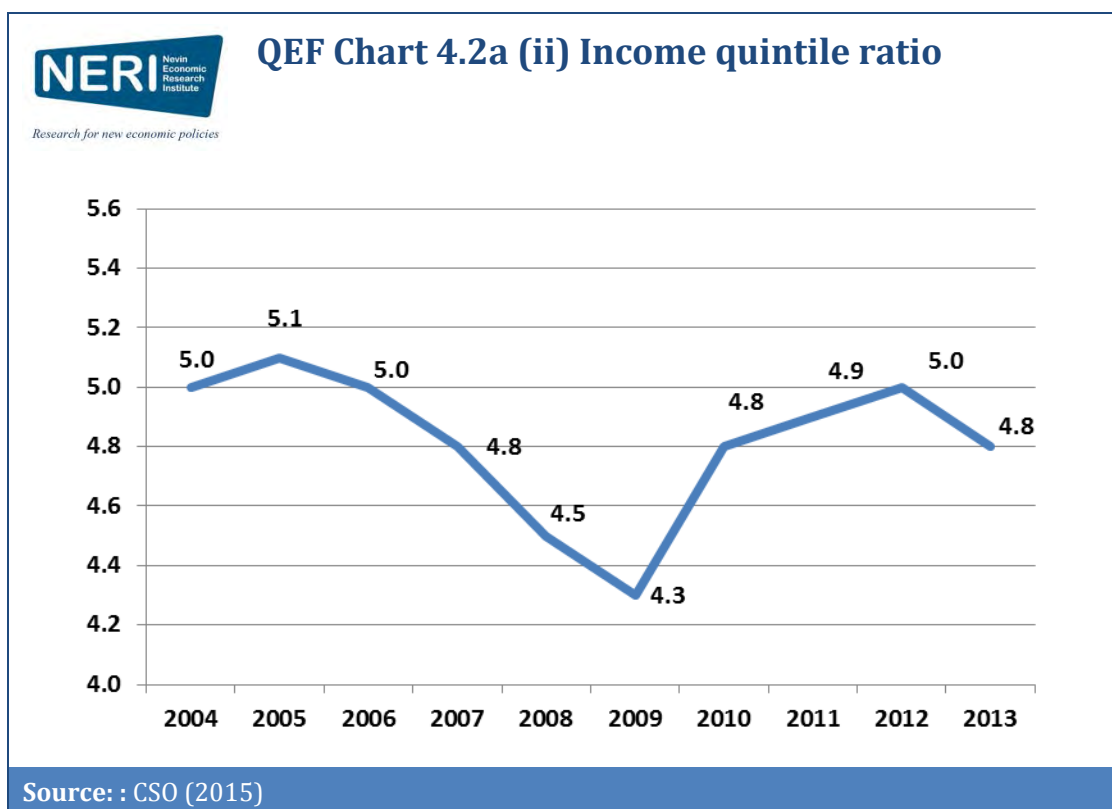


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QEF Table 4.2a Gini coefficient and income quintile ratio for Ireland's income distribution, 2004-2013

	2004	2006	2007	2008	2009	2010	2011	2013
Gini coefficient	31.8	32.4	31.7	30.6	29.3	31.4	31.1	31.3
Income quintile ratio	5.0	5.0	4.8	4.5	4.3	4.8	4.9	4.8

Source: CSO (2015)



Interpretation

Between 2004 and 2007 Ireland's income distribution was reasonably static with only small movements in both the measures reported above. Subsequently, during 2008 and 2009, the gap between the top and bottom quintile (20%) narrowed meaning income inequality fell to its lowest level since the introduction of the CSO's annual Survey on Income and Living Conditions (SILC). However, since 2009 both measures have increased once again. In 2013, the income of the top quintile was 4.8 times that of the bottom quintile while the Gini coefficient was 31.3.

Technical Notes

The data used to compile these figures comes from the CSO's Survey on Income and Living Conditions (SILC). This survey, which has been carried out annually since 2004, collects data on a representative sample of the national population with the latest survey in 2013 providing data on 12,663 individuals in 4,922 households. The income data used is disposable income, representing the income individuals have to spend once they have paid all their income taxes and received any welfare entitlements. Further details on the SILC survey and its income variables are available from the CSO documents and website references below.

Source(s)

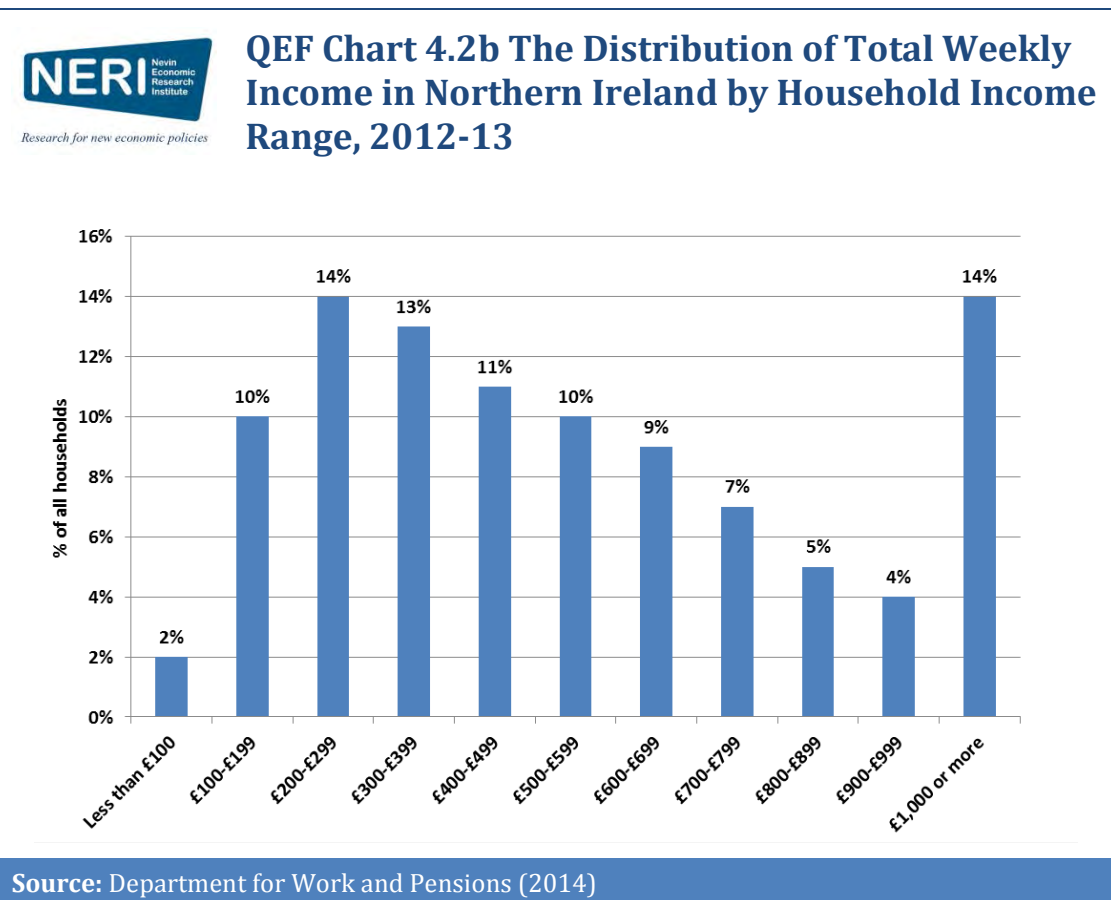
CSO (2015) Survey on Income and Living Conditions 2013. Dublin, Stationery Office.
CSO SILC website: www.cso.ie/en/silc/

Indicator 4.2b Income Distribution over Time (Northern Ireland)

Indicator defined

The distribution of total weekly household income in Northern Ireland classified by ranges of nominal income

Data is the latest available as of 11 March 2015





QEF Table 4.2b The Distribution of Total Weekly Income in Northern Ireland by Household Income Range

Weekly income range	2010-11	2011-12	2012-13
Less than £100	2%	2%	2%
£100-£199	11%	11%	10%
£200-£299	15%	15%	14%
£300-£399	14%	15%	13%
£400-£499	11%	10%	11%
£500-£599	10%	10%	10%
£600-£699	8%	9%	9%
£700-£799	7%	6%	7%
£800-£899	5%	5%	5%
£900-£999	5%	4%	4%
£1,000 or more	13%	13%	14%
Source: Department for Work and Pensions (2014)			
Note: Columns may sum to more than 100% due to data rounding			

Interpretation

The results of the annual UK wide Family Resources Survey provide an insight into the distribution of income across households in Northern Ireland. Using the latest data, for the financial year 2012-13, the results presented above show that 50% of households have an income of less than £500 per week (£26,000 per annum). The table tracks trends in this distribution over the last three reports.

Technical Notes

Total weekly household income captures the income received by all household members from all sources including wages and salaries, state benefits, payable tax credits, private (occupational and personal) pension schemes and investments. The data is collected as part of the annual Family Resources Survey (FRS) by the Office of National Statistics. FRS represents the UK input into the European Union Survey on Income and Living Conditions (SILC). The 2012-13 survey for Northern Ireland comprises 1,891 households. The sample in 2010-11 was 1,896 and 1,943 in 2011-12.

Source(s)

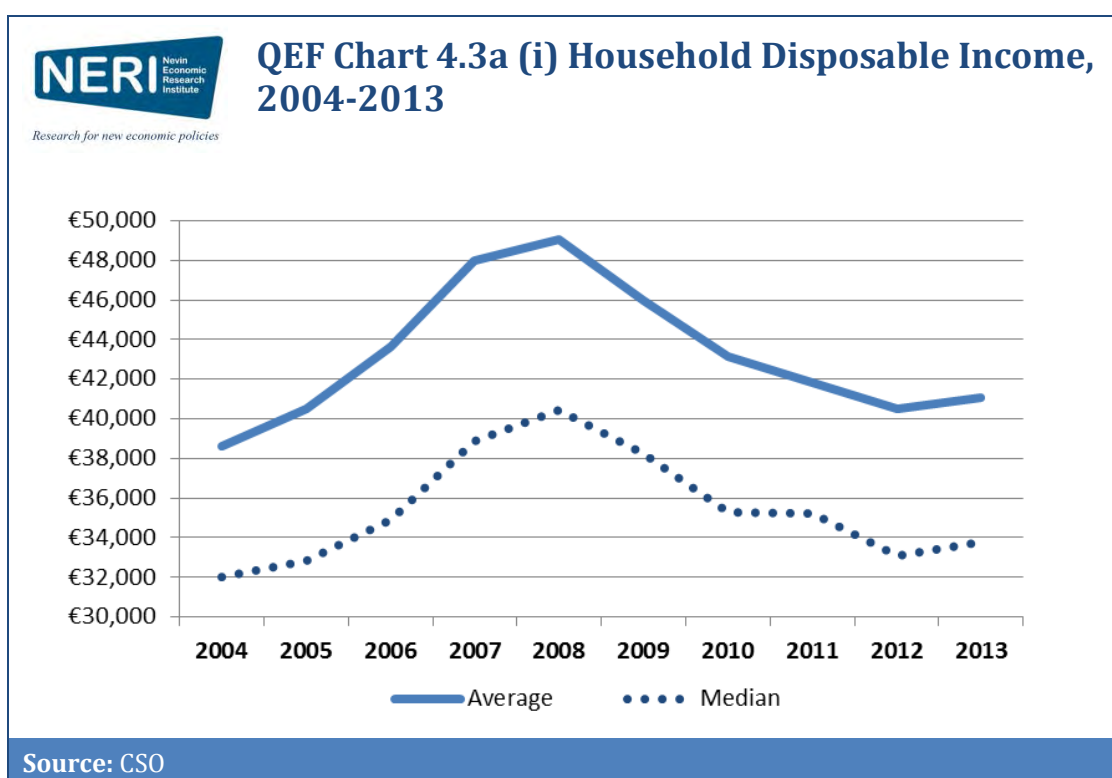
Family Resources Survey 2012-13 (published July 2014) and earlier years is available at <http://research.dwp.gov.uk/asd/frs/>

Indicator 4.3a Average and Median Income over Time and by Gender (Republic of Ireland)

Indicator defined

Average and median household and individual equivalised disposable income (after taxes and transfers) disaggregated by gender

Data is the latest available as of 11 March 2015

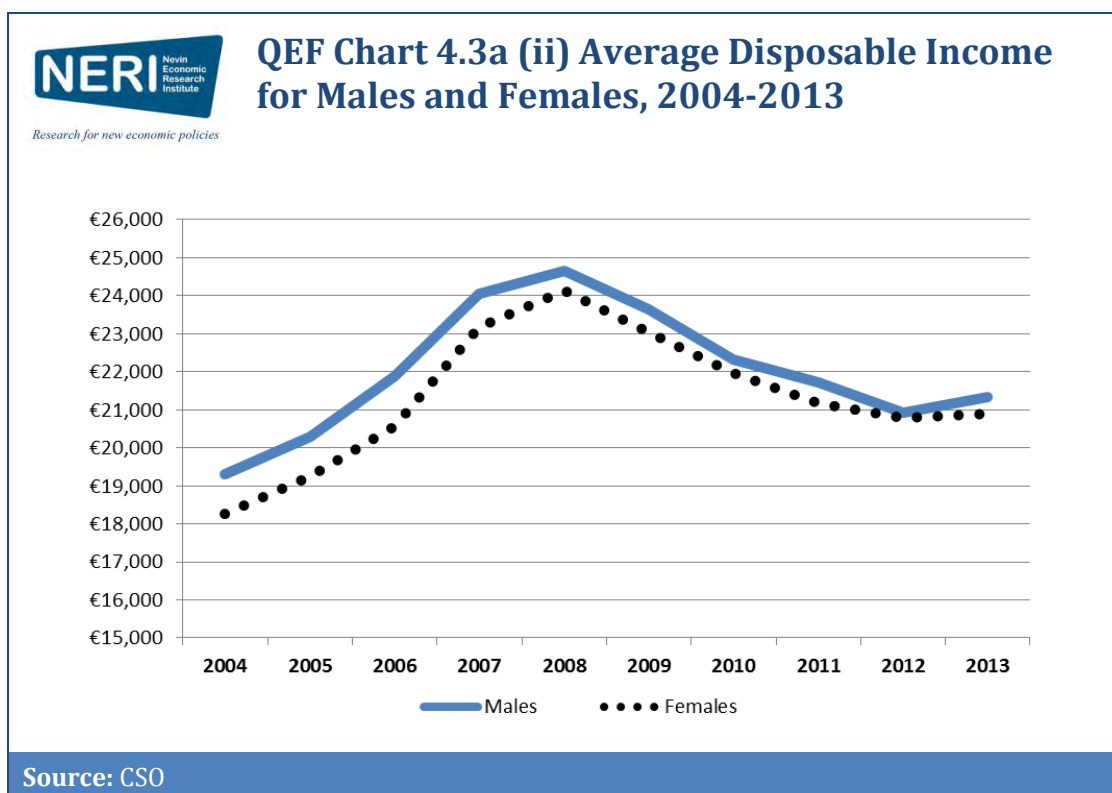


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QEF Table 4.3a Household and Individual Income Trends, 2006-2013 (€)

Year	Household	Individual			Individual		
	Average	Average All	Average Males	Average Females	Median All	Median Males	Median Females
2006	43,646	21,229	21,882	20,577	17,610	18,137	17,083
2007	47,988	23,610	24,046	23,173	19,794	20,086	19,274
2008	49,043	24,380	24,640	24,121	20,758	21,107	20,202
2009	45,959	23,326	23,627	23,029	20,107	20,568	19,699
2010	43,151	22,138	22,324	21,955	18,591	19,032	18,213
2011	41,819	21,440	21,718	21,167	18,148	18,788	17,594
2012	40,505	20,856	20,922	20,790	17,702	18,039	17,561
2013	41,058	21,106	21,323	20,894	17,551	17,863	17,297

Source: CSO



Interpretation

This indicator uses data from the CSO's Survey on Income and Living Conditions (SILC). Total household disposable income (after taxes and transfers) is adjusted to take account of the composition of households (number of adults and children) using the national equivalence scale. Following this adjustment the CSO report individual income, or income per adult equivalent, which is used for the gender decomposition.

Average household incomes peaked in 2008 reflecting increases in earnings, enhanced welfare payments and decreases in income taxation levels in earlier years. Since then, this trend has been reversed with average disposable household incomes falling back to 2005 levels by 2012/2013. Throughout the period male and female incomes follow a similar trend. However, male incomes consistently exceed female incomes by between 0.6-6% per annum. Since peaking in 2008 individual incomes have declined by 13.4% on average (the figure is also 13.4 % for both males and females) reflecting decreases in earnings, reduced welfare payments and increases in income taxation levels. On average in 2013 median male income was €17,863 and median female income was €17,297. The gap between median male and female income was €566; 3.3% of the median female wage.

Technical Notes

See indicator 4.2a.

Source(s):

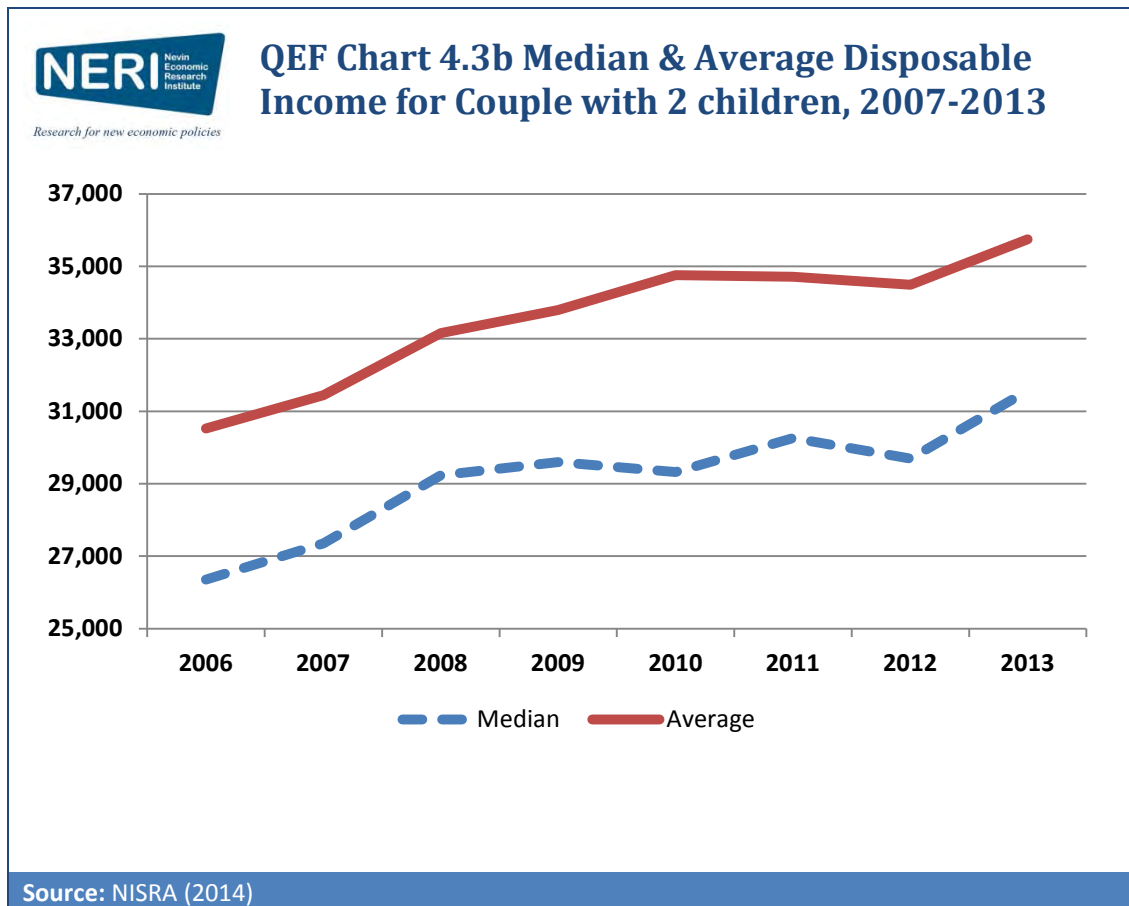
See indicator 4.2a.

Indicator 4.3b Average and Median income over Time and by Household Type (Northern Ireland)

Indicator defined

Average and median household disposable income (after taxes and transfers)

Data is the latest available as of 12 March 2015





QEF Table 4.3b Median & Average Household Disposable Income by Household Type, 2006-2013 (£)

Household Type	2006	2007	2008	2009	2010	2011	2012	2013
Median								
Couple No Children	17,219	17,878	19,106	19,345	19,202	19,777	19,404	20,611
Single No Children	11,532	11,978	12,801	12,961	12,836	13,250	13,001	13,828
Couple 2 Children	26,351	27,353	29,231	29,597	29,325	30,258	29,688	31,569
Single 2 Children	20,663	21,454	22,927	23,214	23,011	23,732	23,285	24,733
Average								
Couple No Children	19,933	20,550	21,670	22,087	22,698	22,686	22,541	23,324
Single No Children	13,358	13,768	14,519	14,798	15,237	15,200	15,102	15,654
Couple 2 Children	30,525	31,441	33,155	33,793	34,752	34,710	34,488	35,743
Single 2 Children	23,951	24,660	26,004	26,505	27,238	27,223	27,049	28,021
Source:	NISRA (2014)							
Note:	2 Children Aged 5 and 14							

Interpretation

This indicator examines household disposable income representing the income a household has to spend after it has received all its incomes from employment, self-employment, investment and social transfers and after it has paid all its income taxation. As the level of average household disposable incomes can be biased by households with very high, or very low, incomes, so data for the median household is also presented. Between 2006 and 2010 average household incomes increased, with nearly all household types experiencing a fall in income in both 2011 and 2012 before increasing again in 2013. Median incomes present a more mixed picture with different family types experiencing falls in income at several stages throughout the time period. For a couple with two children, the gap between average and median incomes narrowed over the period 2009-2011, but then widened again in 2012 and 2013.

Technical Notes

Incomes are reported in current prices (not taking account of inflation).

Source(s):

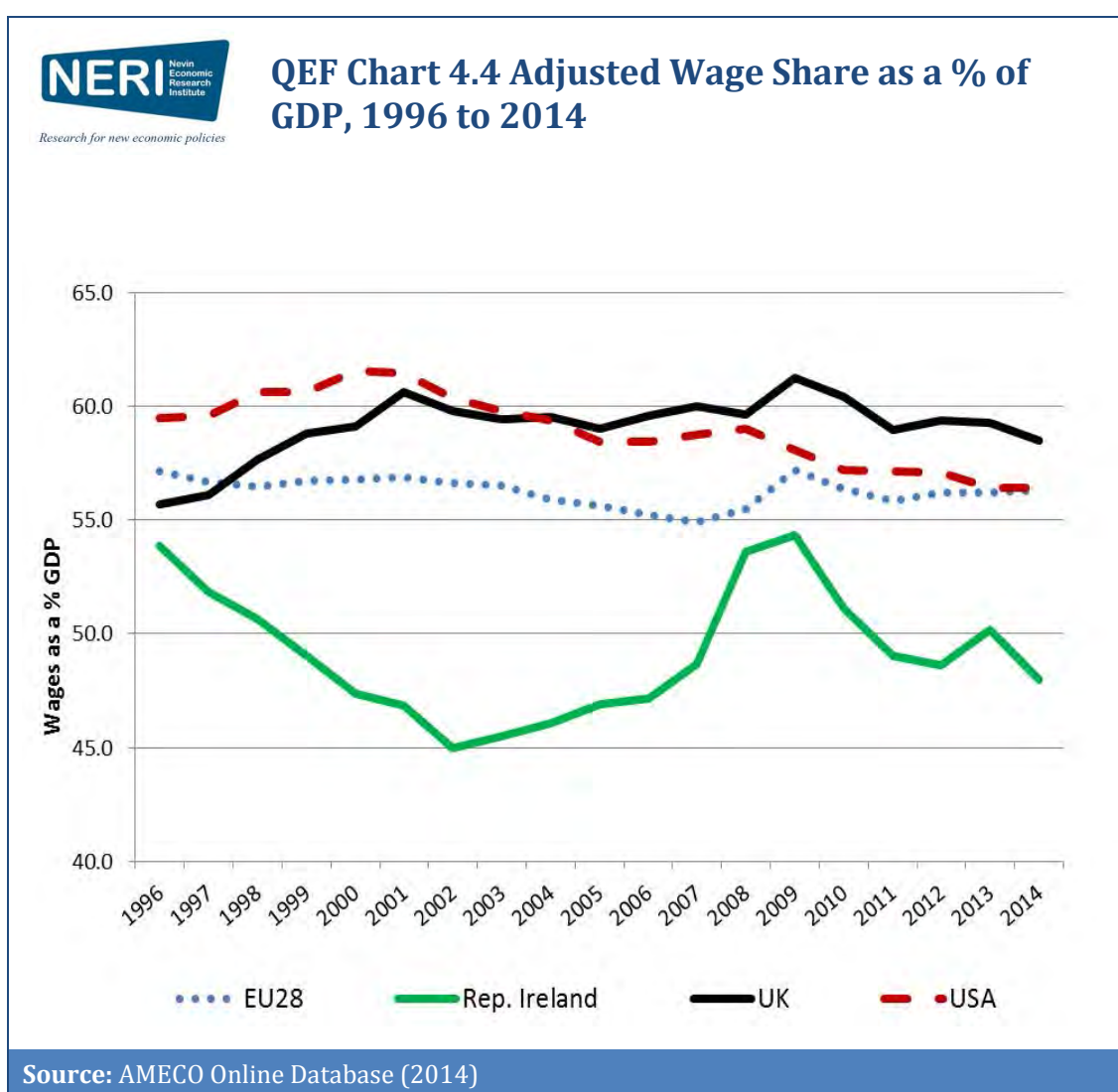
Northern Ireland Statistics and Research Agency (2014) [Households Below Average Income Survey in Northern Ireland](#)

Indicator 4.4 Wage Share as a Percentage of GDP

Indicator defined

Compensation per employee (wages plus social insurance), adjusted to account for self-employed workers, as a percentage of GDP

Data is the latest available as of 10 March 2015



QEF Table 4.4
Adjusted Wage Share, % of GDP

Year	EU28	Rep. Ireland	UK	USA
1996	57.1	53.9	55.7	59.5
1997	56.6	51.8	56.1	59.6
1998	56.4	50.7	57.6	60.6
1999	56.7	49.0	58.8	60.6
2000	56.7	47.4	59.1	61.5
2001	56.9	46.9	60.6	61.5
2002	56.6	45.0	59.8	60.3
2003	56.5	45.5	59.4	59.8
2004	55.9	46.1	59.5	59.4
2005	55.6	46.9	59.0	58.5
2006	55.2	47.2	59.6	58.4
2007	54.9	48.7	60.0	58.8
2008	55.5	53.6	59.6	59.0
2009	57.2	54.3	61.2	58.1
2010	56.3	51.1	60.4	57.2
2011	55.8	49.0	58.9	57.1
2012	56.2	48.6	59.4	57.1
2013	56.2	50.2	59.2	56.4
2014	56.3	48.0	58.5	56.4

Interpretation

The wage share of total income is determined by the structure of the economy, including its capital intensity, its technology base and institutional factors such as the bargaining power of labour. The adjusted wage share of GDP in Ireland has declined from 53.9% in 1996 to 48.0% in 2014. While there have been declines in many EU countries since the mid-1990s it has generally been less pronounced than in Ireland.

Technical Notes

The wage share is the total compensation of employees (wages plus social insurance) divided by GDP. The wage share is adjusted by AMECO to account for self-employed workers.

Source(s)

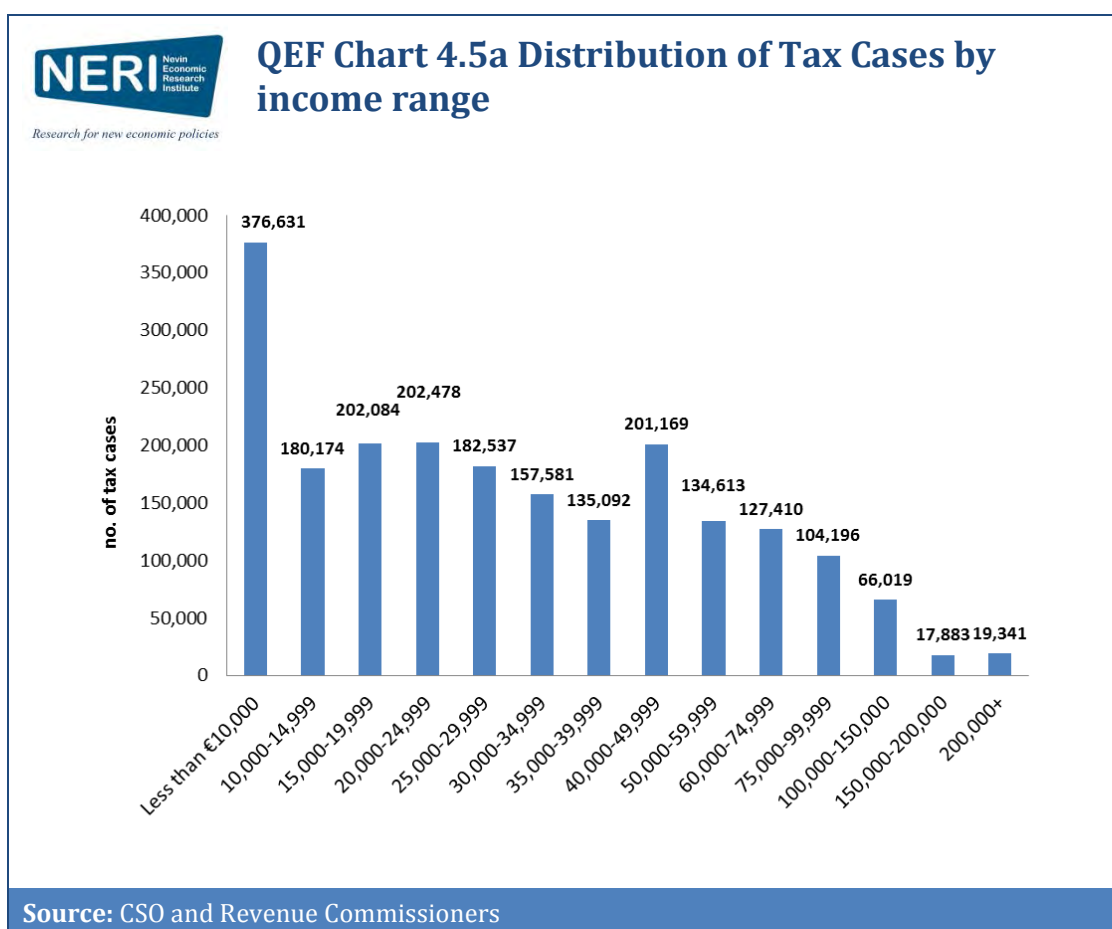
AMECO Online Database (2015) (variable ALCDO) Available at:
http://ec.europa.eu/economy_finance/ameco/user/serie/SelectSerie.cfm

Indicator 4.5a Distribution of Earnings (Republic of Ireland)

Indicator defined

Distribution of tax cases (individuals or couples who are jointly assessed) by total gross income for the latest tax year published by the Revenue Commissioners.

Data is the latest available as of 11 March 2015





QEF Table 4.5a Distribution of Tax Cases by income range (2012)

From €	To €	No. of cases	% total
-	10,000	376,631	17.87
10,000	12,000	67,918	3.22
12,000	15,000	112,256	5.33
15,000	17,000	78,264	3.71
17,000	20,000	123,820	5.88
20,000	25,000	202,478	9.61
25,000	27,000	77,364	3.67
27,000	30,000	105,173	4.99
30,000	35,000	157,581	7.48
35,000	40,000	135,092	6.41
40,000	50,000	201,169	9.55
50,000	60,000	134,613	6.39
60,000	75,000	127,410	6.05
75,000	100,000	104,196	4.94
100,000	150,000	66,019	3.13
150,000	200,000	17,883	0.85
200,000	275,000	9,641	0.46
over	275,000	9,700	0.46
Totals		2,107,208	100.00
Source: CSO and Revenue Commissioners			

Interpretation

The Revenue Commissioners income tax data for 2012 gives an indication of the distribution of earnings (from all sources which are subject to income tax) in the Republic of Ireland. In that year almost 36% of tax cases reported a gross income of less than €20,000. The data show that almost 42% of tax cases are in the range from €20,000 to €50,000 per annum. At the top of the distribution, 4.9% of tax cases had an income in excess of €100,000 and almost 1% had an income in excess of €200,000.

Technical Notes

Data used in this indicator is from the Revenue Commissioners/Central Statistics database (Table RVA04). The data is for tax cases rather than individuals and does not distinguish between the different sources of earnings (employment income, self-employment, property income etc). Due to the structure of the tax year and the system of provisional tax returns for certain earners, there is a delay in the figures.

Source(s)

CSO and Revenue Commissioners Online

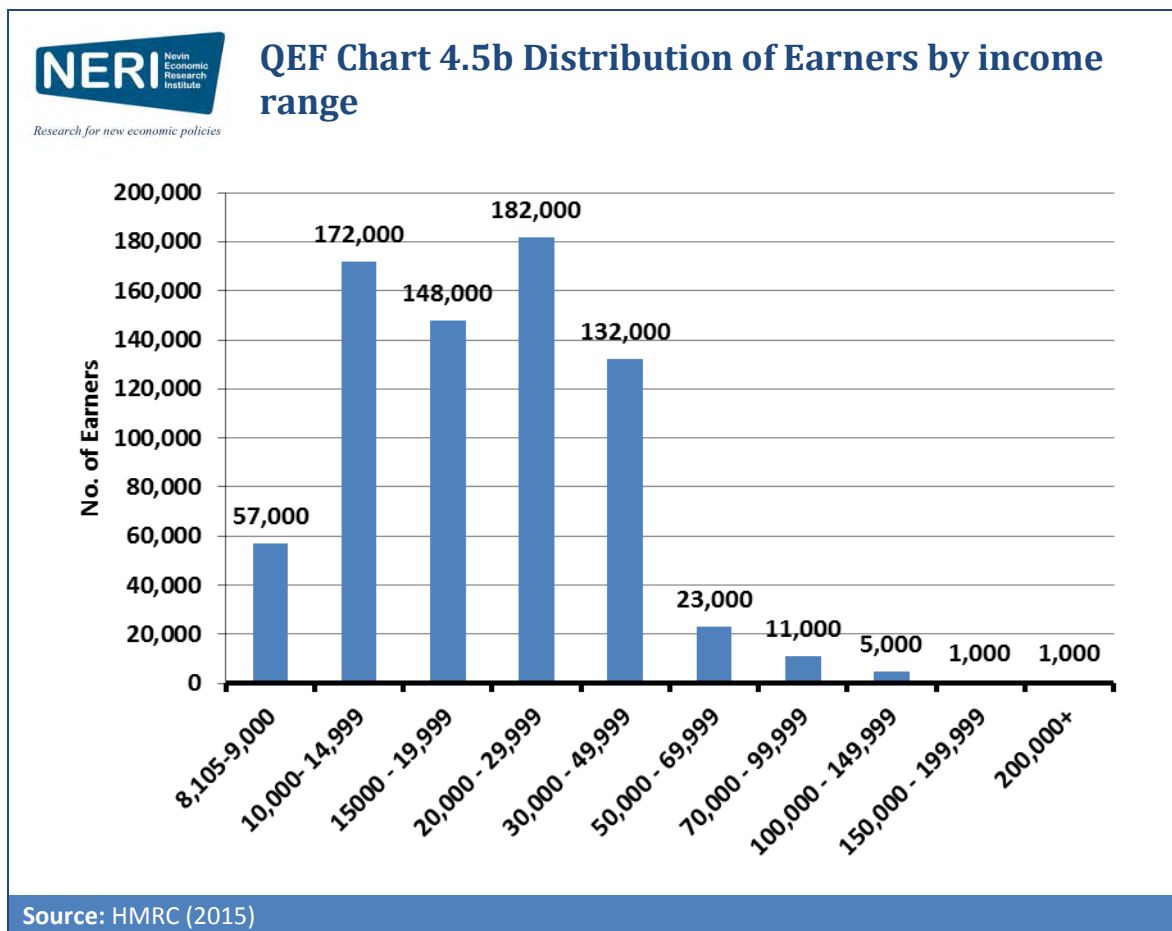
Database: http://www.cso.ie/px/pxeirestat/pssn/rv01/homepagefiles/rv01_statbank.asp

Indicator 4.5b Distribution of Earnings (Northern Ireland)

Indicator defined

Distribution of earners by total income from employment, self-employment, pension and investment in Northern Ireland for the year 2012/13

Data is the latest available as of 12 March 2015.





QEF Table 4.5b Distribution of earners by income range in Northern Ireland, financial year 2012/13

Income Range	No. of earners	% of earners	Income £m	% of income
8,105 - 9,999	57,000	7.79%	510	2.80%
10,000 - 14,999	172,000	23.50%	2,160	11.87%
15,000 - 19,999	148,000	20.00%	2,580	14.18%
20,000 - 29,999	182,000	24.86%	4,450	24.45%
30,000 - 49,999	132,000	18.03%	4,960	27.25%
50,000 - 69,999	23,000	3.14%	1,320	7.25%
70,000 - 99,999	11,000	1.50%	860	4.73%
100,000 - 149,999	5,000	0.68%	642	3.53%
150,000 - 199,999	1,000	0.14%	240	1.32%
200,000+	1,000	0.14%	489	2.69%
Total	732,000	100%	18,092	100%
Source: HMRC (2015)				

Interpretation

The data for this indicator is compiled using income tax receipts for Northern Ireland in the financial year 2012/13. The biggest change to have taken place since the 2011/12 figures were produced is the significant increases in the tax free allowance which have led to an increase on the lower bound of earnings from 7,475 to 8,105 for HMRC data. This does not imply the disappearance of some 20,000 low earners, but that majority of these earners do not pay direct income tax and so are not of interest to HMRC. Most other figures are largely unchanged from 2011/12 release.

Technical Notes

The data is from the results of the HMRC Survey of Personal Incomes 2012-13 using information held by HMRC on persons liable to UK income tax for the income tax year. It is carried out annually and covers the income assessable for tax in each tax year.

Source(s)

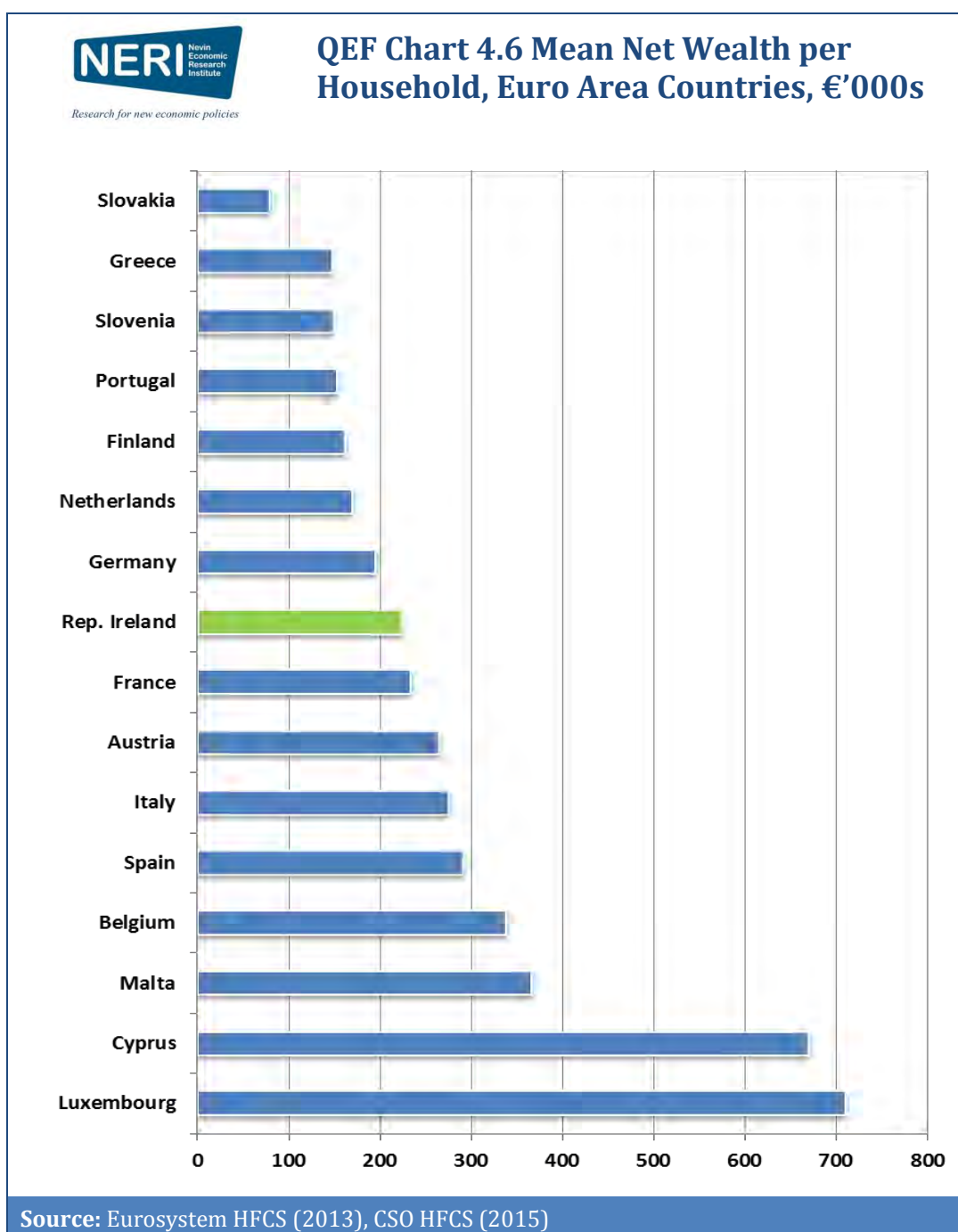
HMRC (2015) [*Personal Incomes Statistics 2012-13*](#) (tables 3.01-3.11).

Indicator 4.6 Net Wealth per Household across Euro Area Countries

Indicator defined

Net mean household wealth expressed in thousands of Euro

Data is the latest available as of 10 March 2015





**QEF Table 4.6 Net Wealth per Household
across Euro Area Countries**

Country	(€,000s)	Country	(€,000s)
Luxembourg	710.1	Rep. Ireland	224.0
Cyprus	670.9	Germany	195.2
Malta	366.0	Netherlands	170.2
Belgium	338.6	Finland	161.5
Spain	291.4	Portugal	152.9
Italy	275.2	Slovenia	148.7
Austria	265.0	Greece	147.8
France	233.4	Euro area	230.8

Source: Eurosystem Household Finance and Consumption Survey (2013)

Interpretation

Fieldwork for the initial Eurosystem Household Finance and Consumption Survey did not occur at the same time in every country. Fieldwork began as early as 2008 in Spain and as late as 2011 in Italy. Ireland and Estonia did not participate in the initial Eurosystem Household Finance and Consumption Survey. 2013 survey data for Ireland was subsequently made available by the CSO in 2015

Technical Notes

Net wealth is the difference between total household assets and total household liabilities. Total assets include real assets (value of household main residence for homeowners, other real estate property, vehicles, valuables such as jewellery, works of art, antiques, etc. and value of self-employment businesses) and financial assets (deposits, mutual funds, bonds, shares, money owed to households, value of voluntary pension plans and whole life insurance policies of householders and other financial assets – including non-self-employment businesses, assets in managed accounts and other types of financial assets). Total liabilities include mortgages collateralised on household's main residence, mortgages collateralised on other real estate property owned by the household, non-mortgage loans (consumer credit loans, private loans, other loans not collateralised on household's real estate property), credit lines/bank overdrafts debt and credit card debt.

Source(s)

Eurosystem Household Finance and Consumption Survey (2013), Available at:

http://www.ecb.europa.eu/home/pdf/research/hfcn/HFCS_Statistical_Tables_Wave1.pdf?8f73764897f49b052a0dae673b27b461

CSO Household Finance and Consumption Survey (2015), Available at:

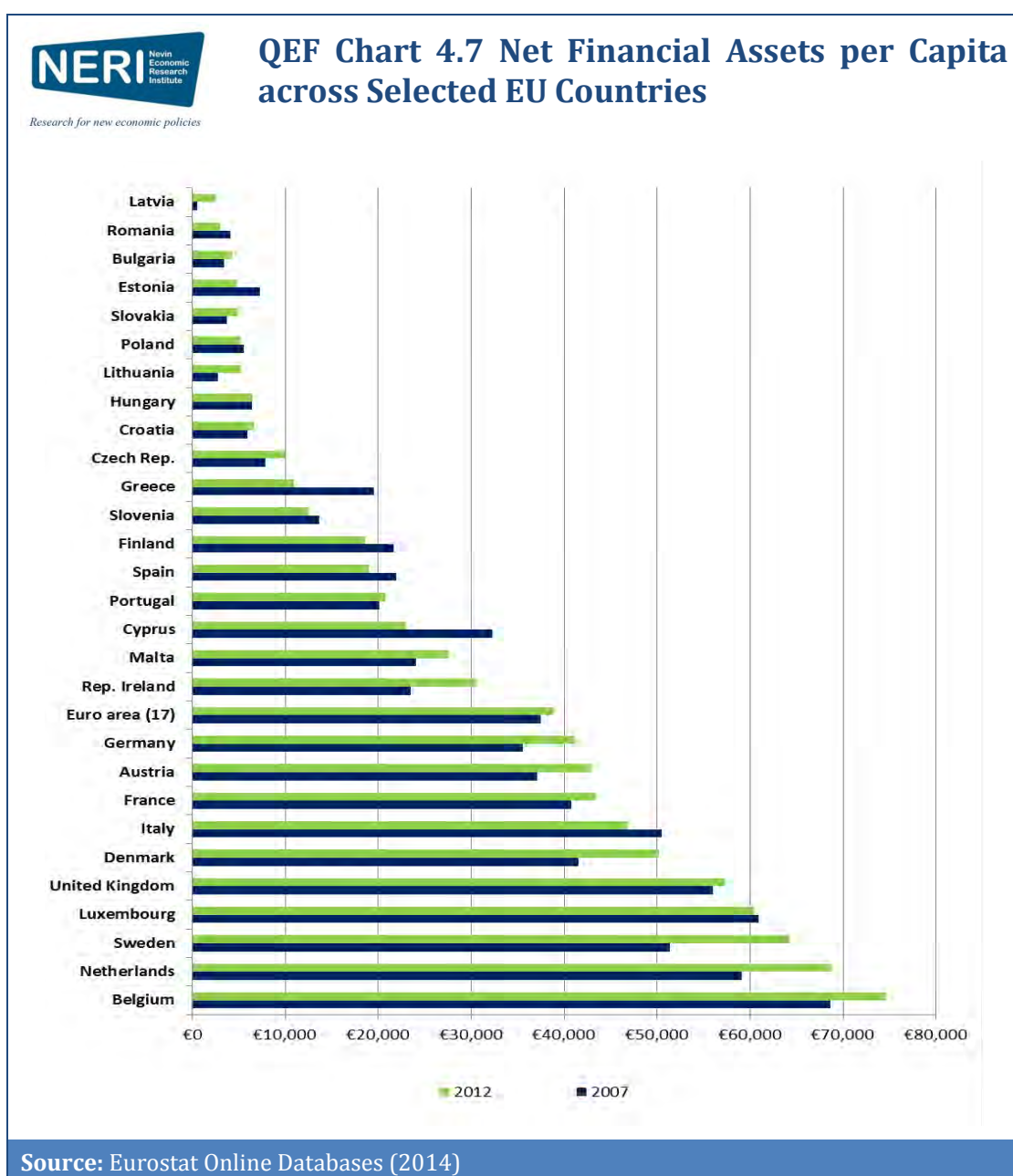
<http://www.cso.ie/en/media/csoie/releasespublications/documents/socialconditions/2013/hfcs2013.pdf>

Indicator 4.7 Net Financial Assets per Capita, Selected EU countries, 2007 and 2012

Indicator defined

Net financial assets per capita expressed in thousands of Euro

Data is the latest available as of 10 March 2015



**QEF Table 4.7 Net Financial Assets per Capita,
Selected EU Countries, 2007 and 2012
(€'000s)**

Country	2007	2012	Country	2007	2012
Belgium	68,593	74,593	Finland	21,624	18,546
Netherlands	59,045	68,775	Slovenia	13,659	12,522
Sweden	51,337	64,284	Greece	19,493	10,948
Luxembourg	60,950	60,402	Czech Rep.	7,814	10,017
UK	56,010	57,272	Croatia	5,892	6,568
Denmark	41,518	50,240	Hungary	6,378	6,524
Italy	50,531	46,919	Lithuania	2,725	5,214
France	40,739	43,389	Poland	5,502	5,140
Austria	37,136	42,925	Slovakia	3,686	4,956
Germany	35,587	41,210	Estonia	7,312	4,770
Rep. Ireland	23,484	30,531	Bulgaria	3,446	4,327
Malta	24,086	27,555	Romania	4,090	3,066
Cyprus	32,282	22,958	Latvia	488	2,580
Portugal	20,076	20,831			
Spain	21,986	19,091	Euro area (17)	37,481	38,963

Source: Eurostat Online Databases (2014)

Interpretation

Financial assets include deposits, mutual funds, bonds, shares, money owed to the households, value of voluntary pension plans and whole life insurance policies of household members and other financial assets item - which includes private non-self-employment businesses, assets in managed accounts and other types of financial assets. Total liabilities include mortgages collateralised on household's main residence and other real estate property owned by the household, non-mortgage loans, credit lines/bank overdrafts debt and credit card debt.

Technical Notes

The value of this indicator is calculated by taking Eurostat figures for a countries total consolidated net financial assets of households and non-profit institutions serving households and dividing this by the population as of 1st January of the relevant year. Preliminary data for 2013 was only available for eight EU countries as of 10 March 2015.

Source(s)

Eurostat online database [nasa_f_bs and demo_pjan]

5 Poverty, Social Exclusion and Social Protection

<i>Indicator 5.1</i>	Poverty and Deprivation (Republic of Ireland)
<i>Indicator 5.2</i>	Poverty in Northern Ireland
<i>Indicator 5.3</i>	In Work-Poverty (Republic of Ireland)
<i>Indicator 5.4</i>	Poverty and Deprivation by Gender (Republic of Ireland)
<i>Indicator 5.5</i>	Unemployment Benefits Compared to Earnings (OECD countries)
<i>Indicator 5.6</i>	Unemployment Traps across OECD countries

Indicator 5.1 Poverty and Deprivation (Republic of Ireland)

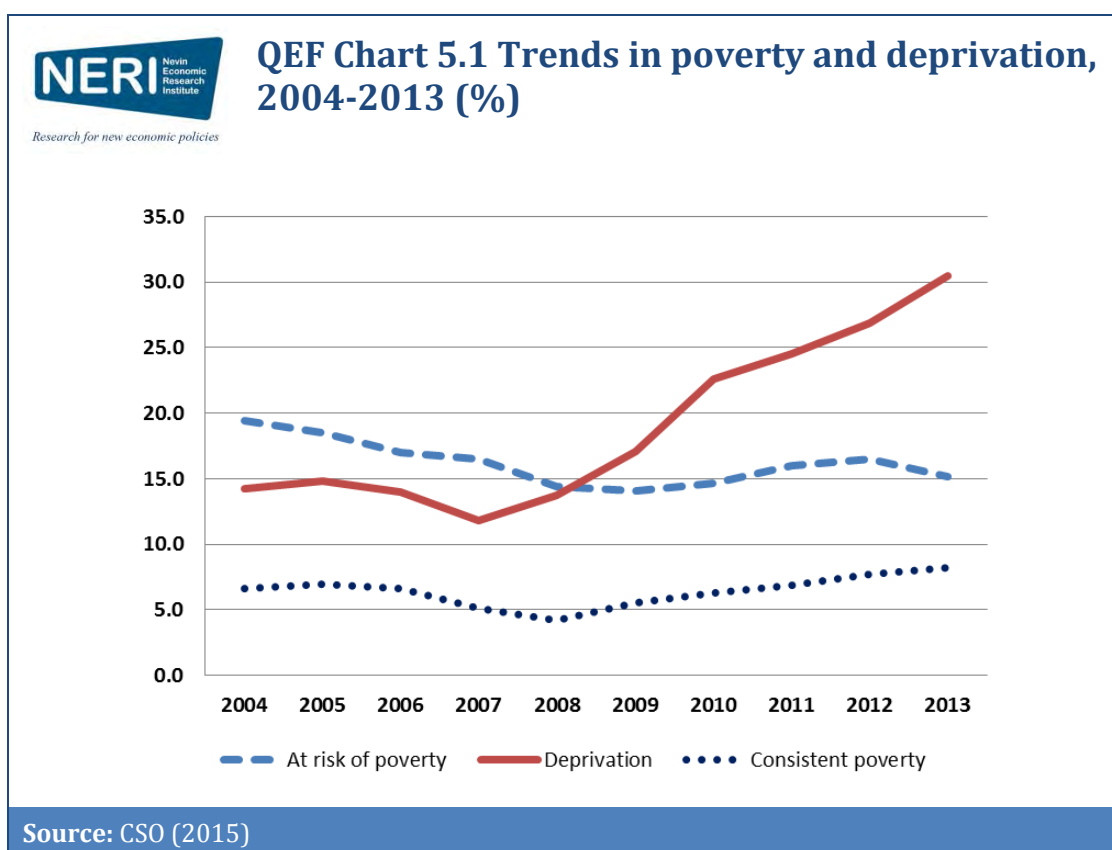
Indicators defined

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

Data is the latest available as of 11 March 2015



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QEF Table 5.1 Poverty and Deprivation rates, 2006-2013

	2004	2006	2007	2008	2009	2011	2012	2013
At risk of poverty	19.4	17.0	16.5	14.4	14.1	16.0	16.5	15.2
Deprivation	14.2	14.0	11.8	13.7	17.1	24.5	26.9	30.5
Consistent poverty	6.6	6.6	5.1	4.2	5.5	6.9	7.7	8.2
Child poverty	n/a	22.3	19.9	18.0	18.6	18.8	18.8	17.9

Source: CSO (2015)

Interpretation

The at risk of poverty or 'relative income poverty' rate fell from 2004 to 2009. However, the rate increased since then from 14.1% in 2009 to 15.2% in 2013. This increase occurred despite the fact that the poverty threshold level (60% of median disposable income) declined by 12.7% between 2009 and 2013 (from €12,064 to €10,531); reflecting an overall decline in income over that period.

Enforced deprivation, measuring the number of individuals deprived of two or more basic items fell to as low as 11.8% in 2007. However, it has increased rapidly since as the impact of the recession hit households. By 2013 more than one in four households were experiencing deprivation. 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 8.2% in 2013.

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 2013 almost 1 in every 5 children (17.9%) 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% (not shown in table). However, since then it has increased and in 2013 11.7% 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.

Source(s)

CSO (2015) Survey on Income and Living Conditions 2013. Dublin, Stationery Office.

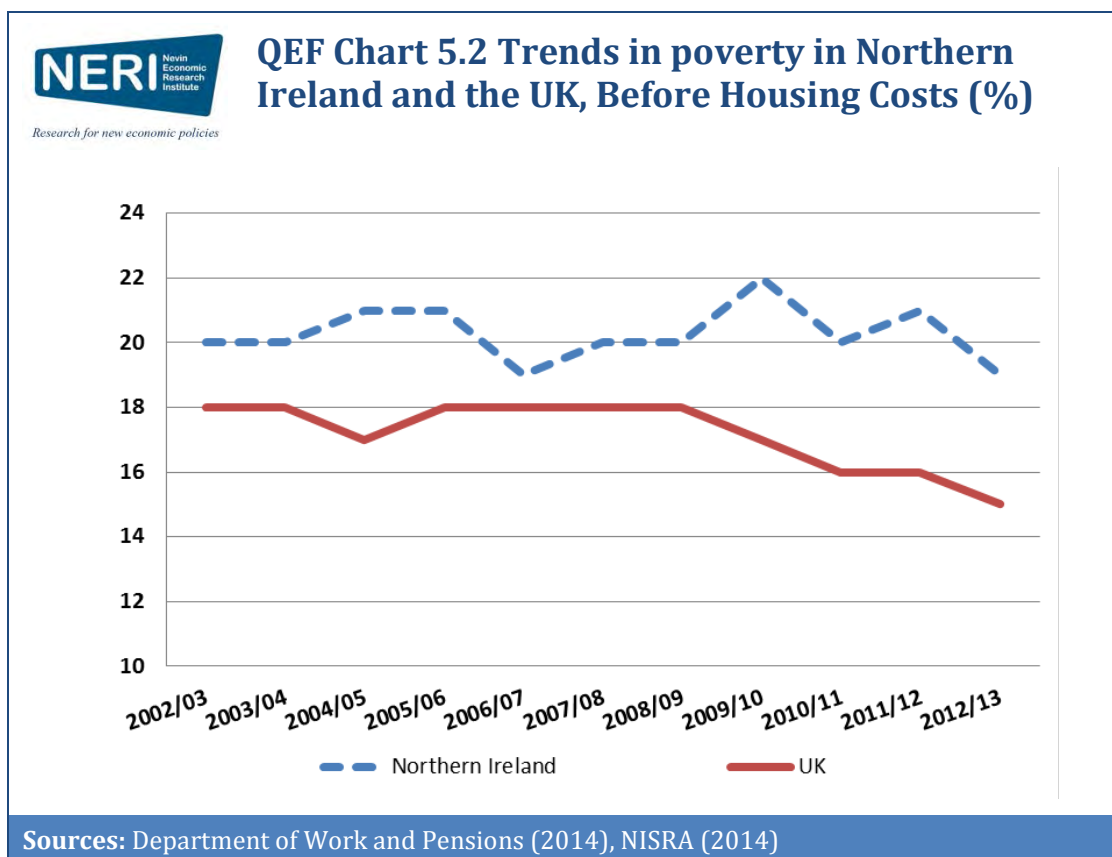
CSO SILC website: www.cso.ie/en/silc/

Indicator 5.2 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

Data is the latest available as of 11 March 2015



QEF Table 5.2 Trends in Poverty in Northern Ireland, 2002-2013

	02-03	06-07	09-10	10-11	11-12	12-13
Population BHC	19	19	22	20	21	19
Children BHC	24	23	26	22	21	20
Working age Adults BHC	16	15	19	19	20	18
Pensioners BHC	24	27	23	22	24	20
Population AHC	20	19	22	20	22	19
Children AHC	27	23	28	24	27	22
Working age Adults AHC	18	16	21	20	22	19
Pensioners AHC	18	20	18	15	15	14

Sources: Department of Work and Pensions (2014), NISRA (2014)

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 2002-2013 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 2013, there were 337,500 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 2012/13 is 89,300 children. Among pensioners, one in every five (57,900 in 2012/13) live on an income below the poverty line. One-fifth of all adults of working age in Northern Ireland live on an income that is 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 these costs include rent, service charges and mortgage interest payments. Household income is also 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 2012/13 the poverty thresholds in Northern Ireland were:

	Before Housing Costs	After Housing Costs
Couple – no children	£264	£224
Single – no children	£177	£130
Couple with 2 children under 14 years	£404	£364
Lone parent with 2 children under 14yrs	£317	£269

Source(s)

Department of Work and Pensions (2014) *Households Below Average Income*. London, HM Stationery Office.

Northern Ireland Statistics and Research Agency (2014) *Poverty in Northern Ireland Bulletin 2012/13*. Belfast, NISRA.

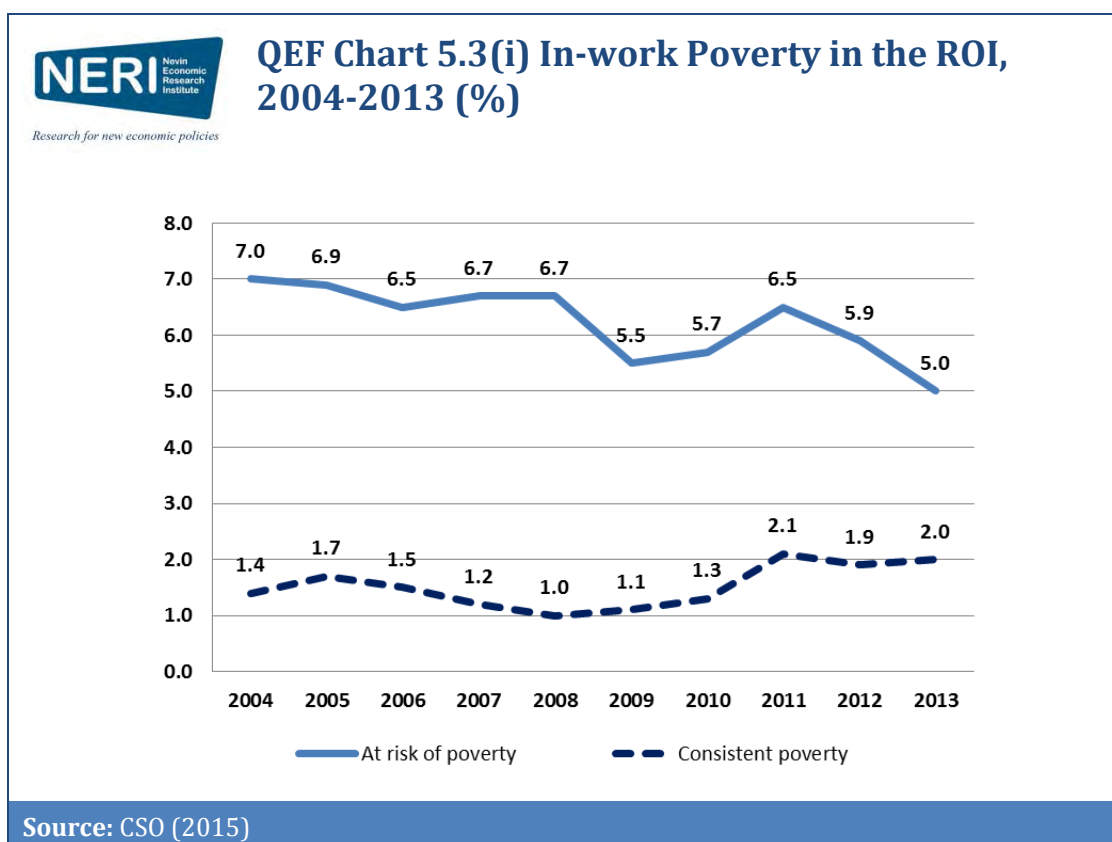
Indicator 5.3 In Work-Poverty (Republic of Ireland)

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

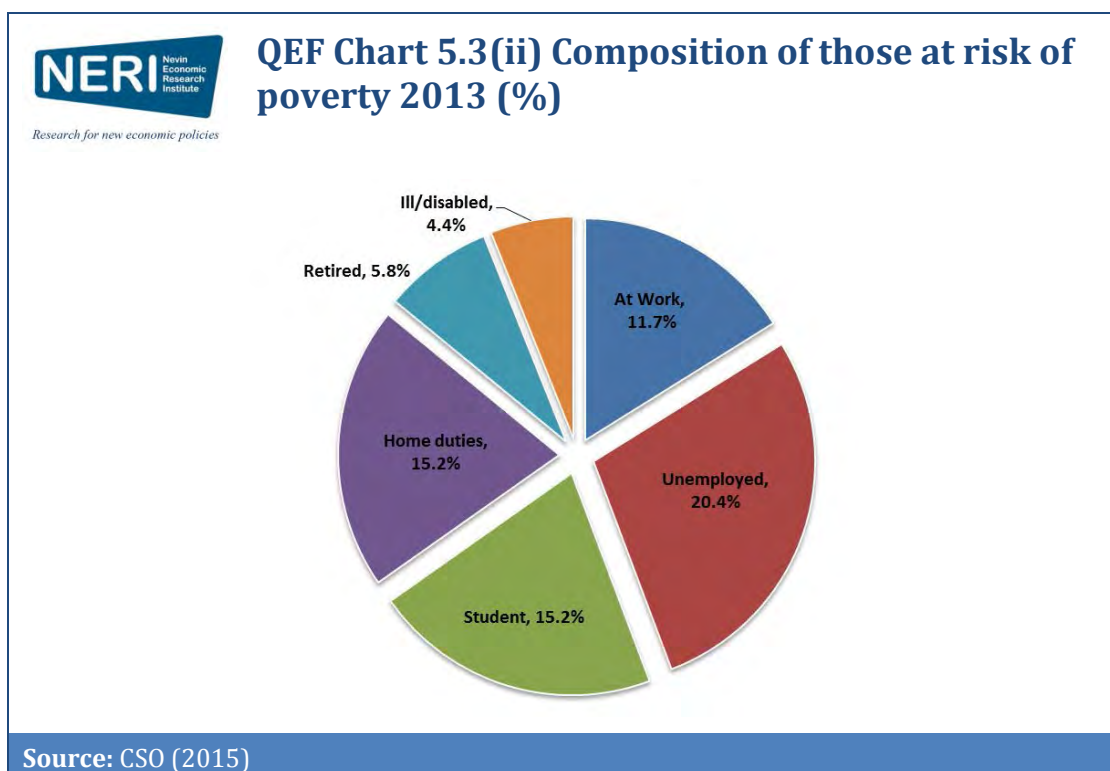
Data is the latest available as of 11 March 2015



QEF Table 5.3 Composition of those at risk or poverty in the ROI, 2009-2013

	2009	2010	2011	2013
At Work	14.3%	13.5%	14.2%	11.7%
Unemployed	12.9%	15.1%	16.6%	20.4%
Student	14.6%	12.3%	14.7%	15.2%
Home duties	18.0%	17.3%	17.5%	15.0%
Retired	4.7%	4.4%	4.3%	5.8%
Ill/disabled	6.4%	5.4%	4.8%	4.4%

Source: CSO (2015)



Interpretation

Almost 12% of workers are categorised as being at risk of poverty. The latest data on this cohort of the population—often labelled the “working poor” (see table 5.3)—relates to 2013. However, of all those who are experiencing poverty, 5% are at work (Chart 5.3(i)). Poverty is most common among those who are unemployed, students and working in the home.

Despite the fact that the rate of relative income poverty (5%) and consistent poverty (2%) 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.

Technical Notes

See notes for indicators 4.2a and 5.1. 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)

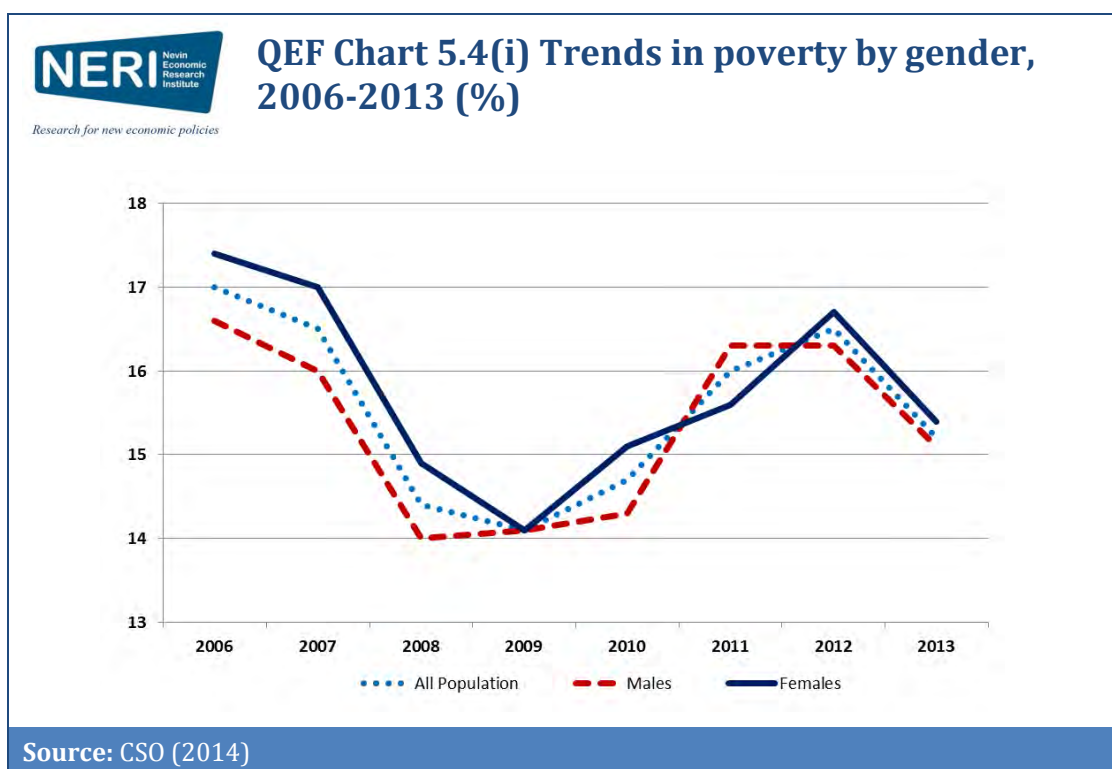
Indicators defined

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.

Data is the latest available as of 11 March 2015

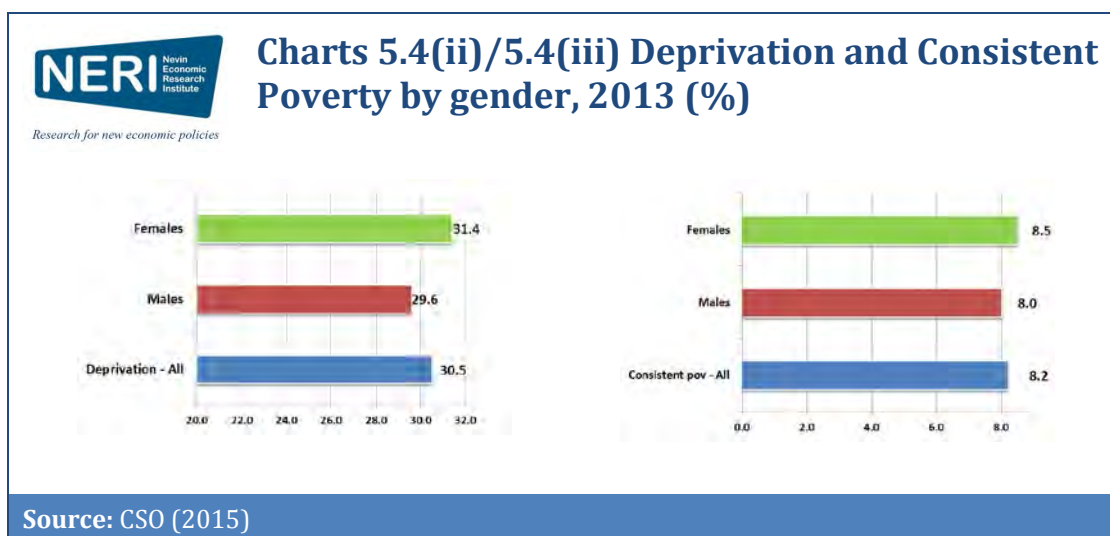


Interpretation

As the tables and charts for this indicator show, females have a marginally higher risk of poverty than males (in 2013) while females experience a higher level of deprivation than males.

Technical Notes

See indicator 5.1.



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QEF Table 5.4 Poverty and Deprivation by Gender, 2006-2013 (%)

	2006	2008	2010	2011	2012	2013
At risk of poverty – All*	17.0	14.4	14.7	16.0	16.5	15.2
Males	16.6	14.0	14.3	16.3	16.3	15.1
Females	17.4	14.9	15.1	15.6	16.7	15.4
Deprivation – All*	14.0	13.7	22.6	24.5	26.9	30.5
Males	13.6	13.1	21.7	23.0	26.4	29.6
Females	14.4	14.2	23.5	26.0	27.4	31.4
Consistent Poverty – All*	6.6	4.2	6.3	6.9	7.7	8.2
Males	6.5	4.0	5.8	6.9	7.8	8.0
Females	6.7	4.4	6.8	6.9	7.6	8.5

Source: CSO (2015)
Note: *all refers to the rate for the population of the ROI

Source(s)

CSO (2014) Survey on Income and Living Conditions 2012. Dublin, Stationery Office.

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

Indicator 5.5 Unemployment Benefits Compared to Earnings (OECD countries)

Indicator defined

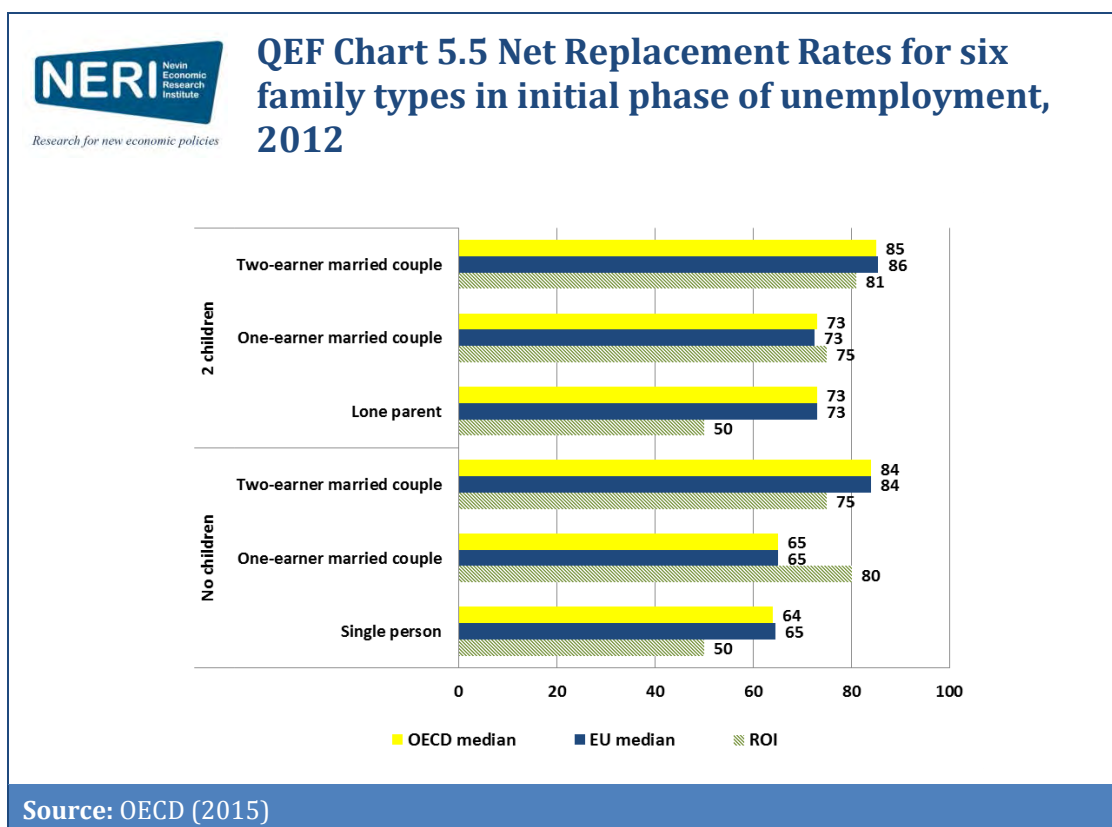
We compare pre and post Unemployment income using **the replacement rate**. It refers to the level of welfare provided immediately after the individual becomes unemployed and calculates this as a proportion of previous after tax or net income. The figures in this assessment are based on an individual earning 67% of the average wage in each OECD country before becoming unemployed.

Data is the latest available as of 11 March 2015



QEF Table 5.5 Net Replacement Rates for six family types, 2012

OECD countries	No children			2 children		
	Single person	One-earner couple	Two-earner couple	Lone parent	One-earner couple	Two-earner couple
Australia	31	56	50	57	66	63
Austria	55	57	79	71	73	85
Belgium	87	75	85	87	75	86
Canada	64	65	81	76	77	84
Chile	56	56	78	63	63	78
Czech Rep.	65	65	87	67	67	88
Denmark	84	85	92	89	87	93
Estonia	55	58	78	63	58	79
Finland	59	59	80	74	69	84
France	69	65	84	71	68	84
Germany	59	59	86	82	83	90
Greece	37	38	67	42	42	70
Hungary	66	66	83	75	75	86
Iceland	76	76	88	82	79	90
Rep. Ireland	50	80	75	50	75	81
Israel	88	88	94	87	89	93
Italy	69	73	85	78	75	87
Japan	67	66	85	73	69	85
Korea	55	55	78	57	55	78
Luxembourg	83	81	90	89	89	93
Netherlands	76	77	84	66	81	77
New Zealand	36	61	50	59	65	65
Norway	68	69	84	79	74	86
Poland	51	52	75	82	58	77
Portugal	75	75	90	78	76	91
Slovak Rep.	62	58	85	72	57	86
Slovenia	86	84	93	85	88	96
Spain	79	77	89	78	76	89
Sweden	64	64	82	72	69	83
Switzerland	73	72	85	85	84	90
Turkey	53	53	79	52	52	79
UK	20	31	60	48	57	67
USA	60	59	81	53	51	83
OECD Median	64	65	84	73	73	85
EU Median	65	65	84	73	73	86



Interpretation

Replacement rates compare income prior to unemployment with income from welfare after unemployment. Across the OECD these rates range from 20% (UK single person) to 96% (Slovenia two-earner married couple). Given the variation in individual country replacement rates, reflecting the nature and composition of welfare entitlements in these countries, the data shows the futility of making simple cross country comparisons based on one particular type of individual/household. The ROI possesses the fifth lowest replacement rate for single unemployed people with no children within the OECD (50%), only the UK, Australia, New Zealand and Greece possessing lower rates. Of the six household types examined by the OECD (see table and chart) four ROI types record replacement rates below the OECD and EU median values and two above these median values.

Technical Notes

Data is from the OECD's Tax-Benefit Calculator. The OECD also examine these rates for individuals at other percentages of average earnings. The data in the table and chart is from 2012, since then changes to welfare rates, taxation structures and average earnings will have altered these rates.

Source

OECD Tax-Benefit Calculator: www.oecd.org/els/benefitsandwagesstatistics.htm

Indicator 5.6 Unemployment Traps across OECD countries

Indicator defined

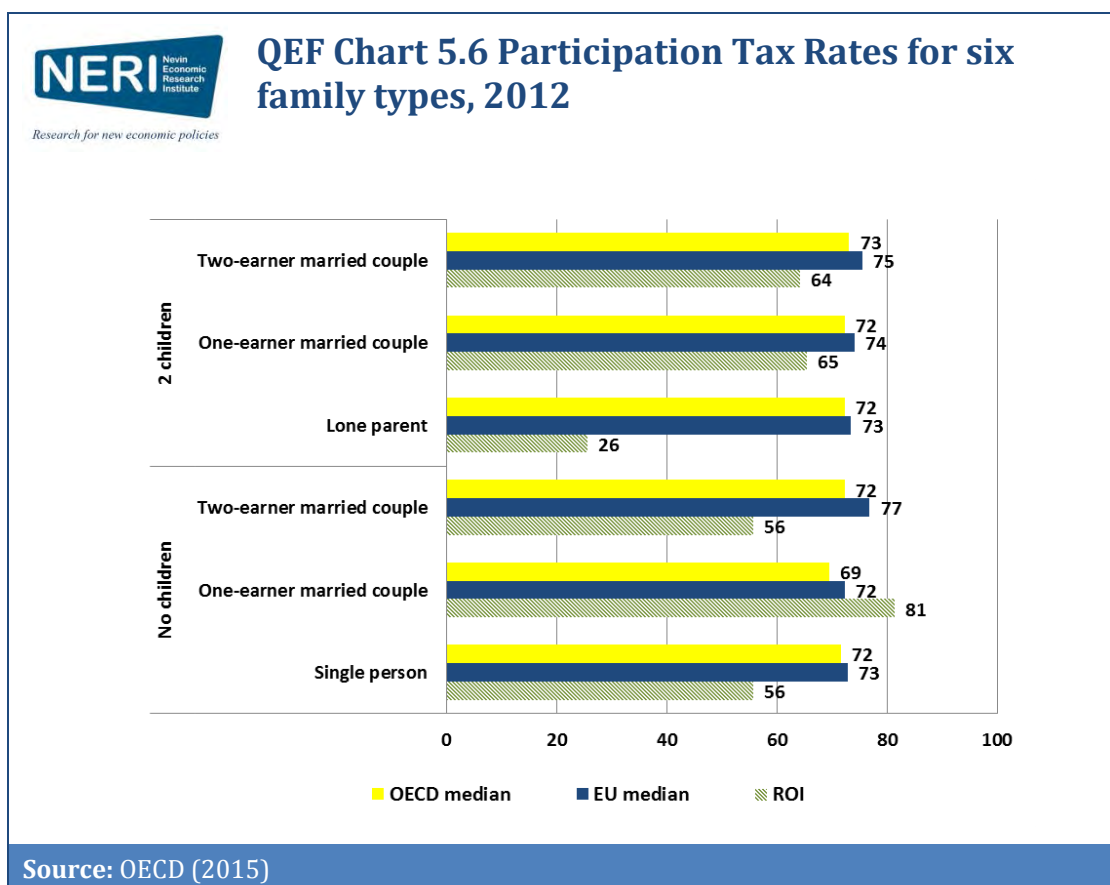
We use participation tax rates to measure the extent to which taxes and benefits reduce the financial gain of moving into work. High participation tax rates reduce the attractiveness of labour market participation and may serve to trap individuals or households in unemployment. The figures in this assessment are based on an individual earning 67% of the average wage in each OECD country

Data is the latest available as of 11 March 2015



QEF Table 5.6 Participation Tax Rates for six family types, 2012

OECD countries	No children			2 children		
	Single person	One-earner married couple	Two-earner married couple	Lone parent	One-earner married couple	Two-earner married couple
Australia	43	64	17	53	62	36
Austria	68	69	70	74	75	76
Belgium	92	81	80	86	78	80
Canada	70	68	70	71	72	72
Chile	64	64	64	70	70	64
Czech Rep.	72	69	79	67	64	79
Denmark	90	90	90	90	90	90
Estonia	64	64	64	64	60	64
Finland	68	68	68	73	73	73
France	77	72	76	72	72	75
Germany	73	69	82	84	85	86
Greece	52	48	45	50	46	44
Hungary	78	78	78	76	76	78
Iceland	83	79	83	84	80	84
Rep. Ireland	56	81	56	26	65	64
Israel	90	90	90	87	90	87
Italy	77	79	77	79	76	80
Japan	50	48	52	50	48	52
Korea	31	31	31	32	30	31
Luxembourg	86	84	83	88	88	86
Netherlands	84	84	79	67	85	65
New Zealand	46	67	15	52	59	36
Norway	76	76	76	80	78	78
Poland	64	64	64	86	64	64
Portugal	79	78	84	79	77	84
Slovak Rep.	44	38	50	37	31	50
Slovenia	90	88	90	84	88	93
Spain	83	79	83	80	77	82
Sweden	72	72	72	72	72	72
Switzerland	80	80	78	87	87	85
Turkey	66	65	70	64	63	70
UK	37	46	37	47	56	46
USA	68	65	69	53	48	71
OECD Median	72	69	72	72	72	73
EU Median	73	72	77	73	74	75



Interpretation

As individuals transition from unemployment to employment they experience losses of welfare payments and entitlements, gains in earned gross income and they begin to pay income taxes and social insurance contributions on their earned income. The participation tax rate attempts to measure the collective impact of these experiences by estimating by how much changes to taxes and benefits reduce the financial gain of moving into work. A participation tax rate of 50% implies that half of the gains in earnings from commencing work are lost through changes to taxes and benefits.

Across the OECD these rates range from 15% (New Zealand two earner married couple) to 93% (Slovenia two-earner married couple). From country to country they differ given differences in the interaction of the welfare and taxation systems. The ROI possesses the eight lowest replacement rate for single unemployed people with no children within the OECD (56%). Of the six household types examined by the OECD (see table and chart) five ROI types record replacement rates below the OECD and EU median values.

Technical Notes

See indicator 5.5.

Source(s)

OECD Tax-Benefit Calculator: www.oecd.org/els/benefitsandwagesstatistics.htm

6 Public Finances

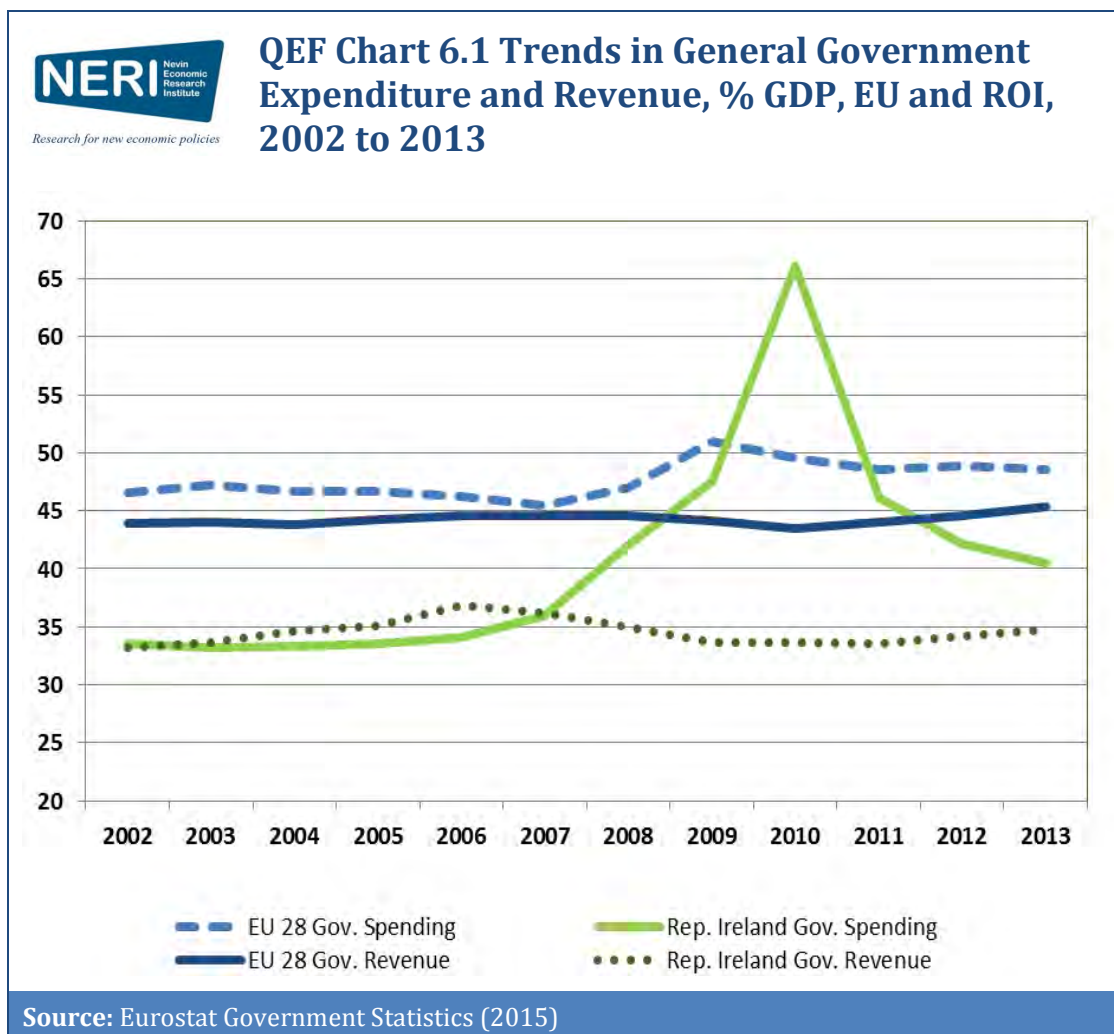
<i>Indicator 6.1</i>	Trends in General Government Expenditure and Revenue, EU and ROI
<i>Indicator 6.2</i>	Government Revenue as % of GDP, EU and ROI, 2013
<i>Indicator 6.3a</i>	General Government Deficit as % of GDP, EU member states, 2013
<i>Indicator 6.3b</i>	Estimated General Government Structural Deficit as % of GDP, EU member states, 2013
<i>Indicator 6.4</i>	General Government Gross Debt as % of GDP, EU member states, 2013

Indicator 6.1 Trends in General Government Expenditure and Revenue, EU and ROI

Indicator defined

Total General Government Expenditure and Revenue as a percentage of GDP

Data is the latest available as of 10 March 2015





QEF Table 6.1 General Government Expenditure and Revenue, % GDP, EU and ROI, 2002 to 2013

Year	EU28 Government Spending	ROI Government Spending	EU28 Government Revenue	ROI Government Revenue
2004	46.7	33.3	43.8	34.6
2005	46.7	33.5	44.2	35.1
2006	46.2	34.1	44.6	36.9
2007	45.5	36.0	44.6	36.2
2008	47.0	42.0	44.6	35.0
2009	51.0	47.6	44.1	33.7
2010	49.9	66.1	43.5	33.6
2011	48.5	46.1	44.0	33.5
2012	48.9	42.2	44.6	34.2
2013	48.5	40.5	45.3	34.8

Source: Eurostat Government Statistics (2015)

Interpretation

Public expenditure relating to bank recapitalisation is included in the figures for Government spending in the above table and chart for each of the three years 2009, 2010 and 2011.

When measured as a percentage of GDP the level of government revenue and the level of government spending in the Republic of Ireland are both substantially lower than the average for the EU 28.

Technical Notes

Total General Government Revenue includes taxes and other receipts of public authorities

Source(s)

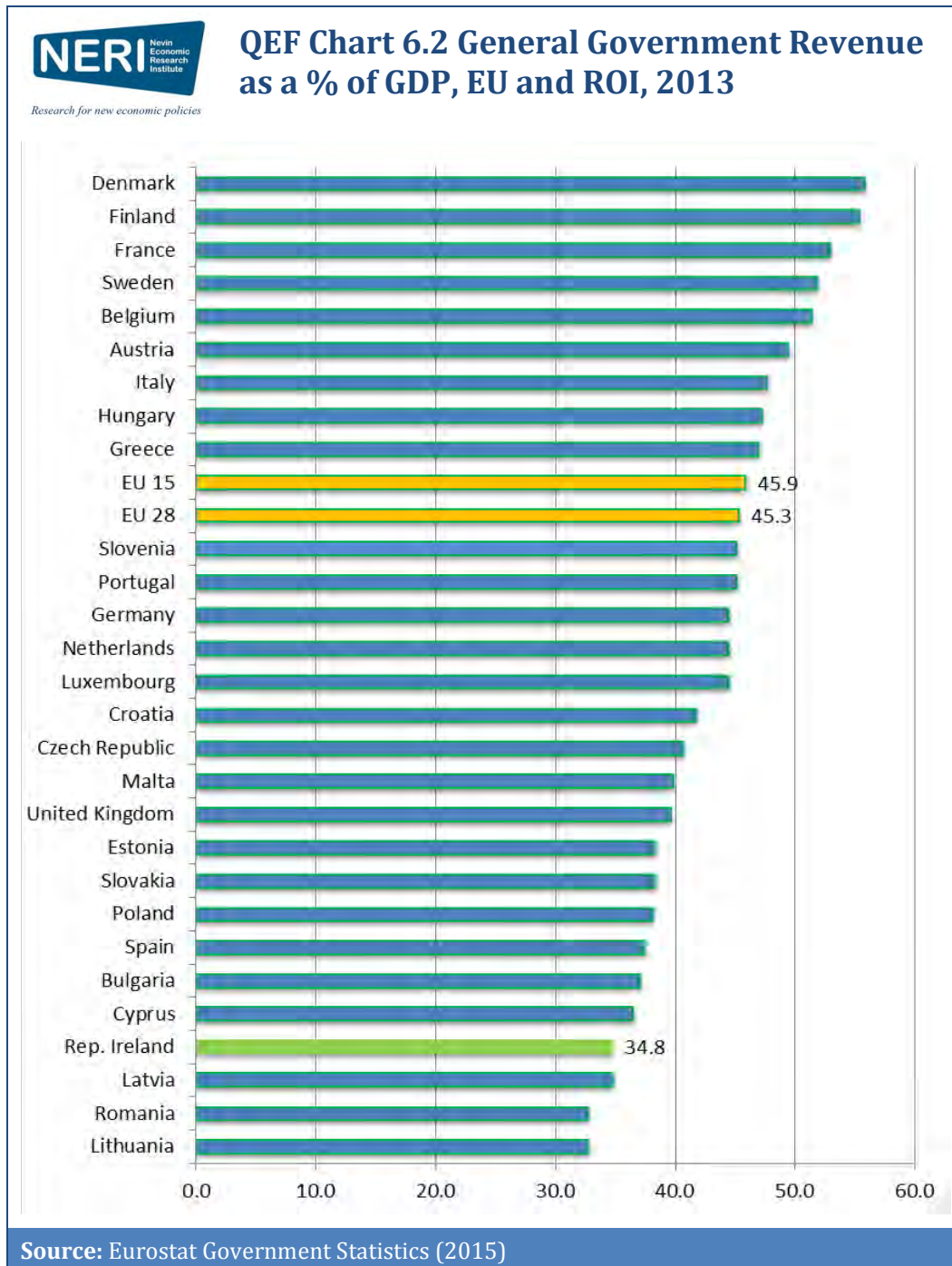
Eurostat online database available at: <http://epp.eurostat.ec.europa.eu> (gov_a_main)

Indicator 6.2 Government Revenue as % of GDP, EU member states, 2013

Indicator defined

Total General Government Revenue as % of GDP

Data is the latest available as of 10 March 2015





Research for new economic policies

QEF Table 6.2 Government Revenue as a % of GDP, 2013

Country	%	Country	%
Lithuania	32.8	Netherlands	44.5
Romania	32.8	Germany	44.5
Latvia	34.8	Portugal	45.2
Rep. Ireland	34.8	Slovenia	45.2
Cyprus	36.5	EU 28	45.3
Bulgaria	37.1	EU 15	45.9
Spain	37.5	Greece	47.0
Poland	38.2	Hungary	47.3
Slovakia	38.4	Italy	47.7
Estonia	38.4	Austria	49.5
United Kingdom	39.7	Belgium	51.5
Malta	39.8	Sweden	51.9
Czech Republic	40.7	France	53.0
Croatia	41.8	Finland	55.4
Luxembourg	44.5	Denmark	55.9

Source: Eurostat Government Statistics (2015)

Interpretation

Measured as a percentage of GDP the Republic of Ireland has the joint third lowest level of government revenue in the European Union. Irish government revenue in 2013 was 10.5 percentage points below the EU 28 average and 11.1 percentage points below the EU 15 average.

Gross National Income (GNI) can be used as an alternative to GDP when comparing countries. However, where using GNI it is necessary to deduct an estimate for corporate taxes on repatriated profits which appears as part of GDP but not GNI.

Technical Notes

Total General Government Revenue includes taxes and other receipts of public authorities

Source(s)

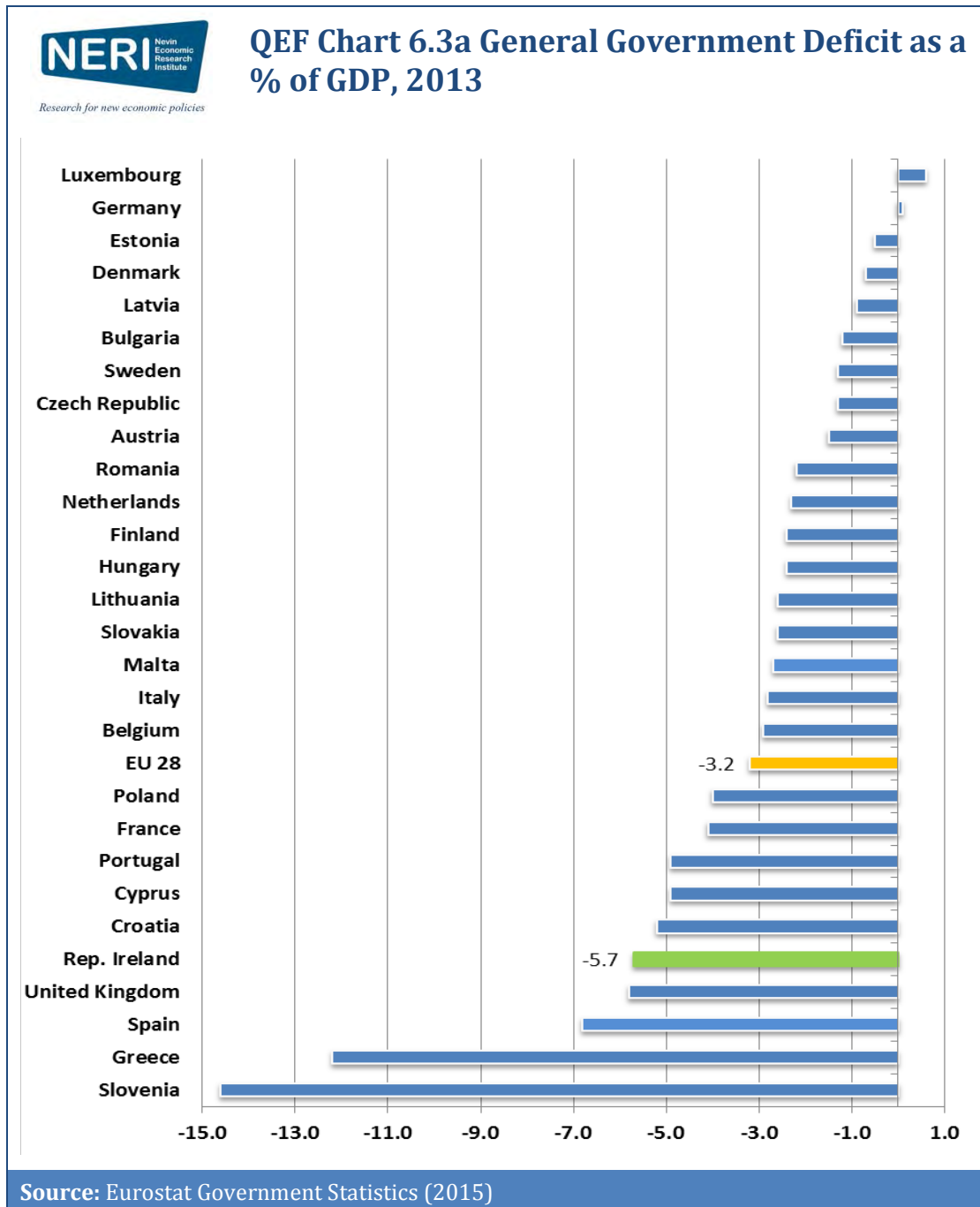
Eurostat online database available at: <http://epp.eurostat.ec.europa.eu> (gov_a_main)

Indicator 6.3a General Government Deficit as % of GDP, EU member states, 2013

Indicator defined

Total General Government Deficit as % of GDP

Data is the latest available as of 10 March 2015



QEF Table 6.3a General Government Deficit as % of GDP, 2013

Country	%	Country	%
Slovenia	-14.6	Lithuania	-2.6
Greece	-12.2	Hungary	-2.4
Spain	-6.8	Finland	-2.4
United Kingdom	-5.8	Netherlands	-2.3
Rep. Ireland	-5.7	Romania	-2.2
Croatia	-5.2	Austria	-1.5
Cyprus	-4.9	Czech Republic	-1.3
Portugal	-4.9	Sweden	-1.3
France	-4.1	Bulgaria	-1.2
Poland	-4.0	Latvia	-0.9
EU 28	-3.2	Denmark	-0.7
Belgium	-2.9	Estonia	-0.5
Italy	-2.8	Germany	0.1
Malta	-2.7	Luxembourg	0.6
Slovakia	-2.6		

Source: Eurostat Government Statistics (2015)

Interpretation

The Maastricht rules require EU member states to have a government deficit of no more than 3% of GDP. The latest estimates of the General Government Balance (the headline deficit) for 2013 shows that 10 out of 27 member states were in excess of this figure. In the case of the Republic of Ireland, in 2013, the 'headline' government deficit was estimated to be 5.7%. This was the fifth highest rate in the EU.

Technical Notes

The General Government Deficit (or General Government Balance) is the difference between General Government Expenditure and General Government Revenue in any given year. An excess of expenditure over revenue is expressed as a percentage of GDP and is shown as a negative value.

Source(s)

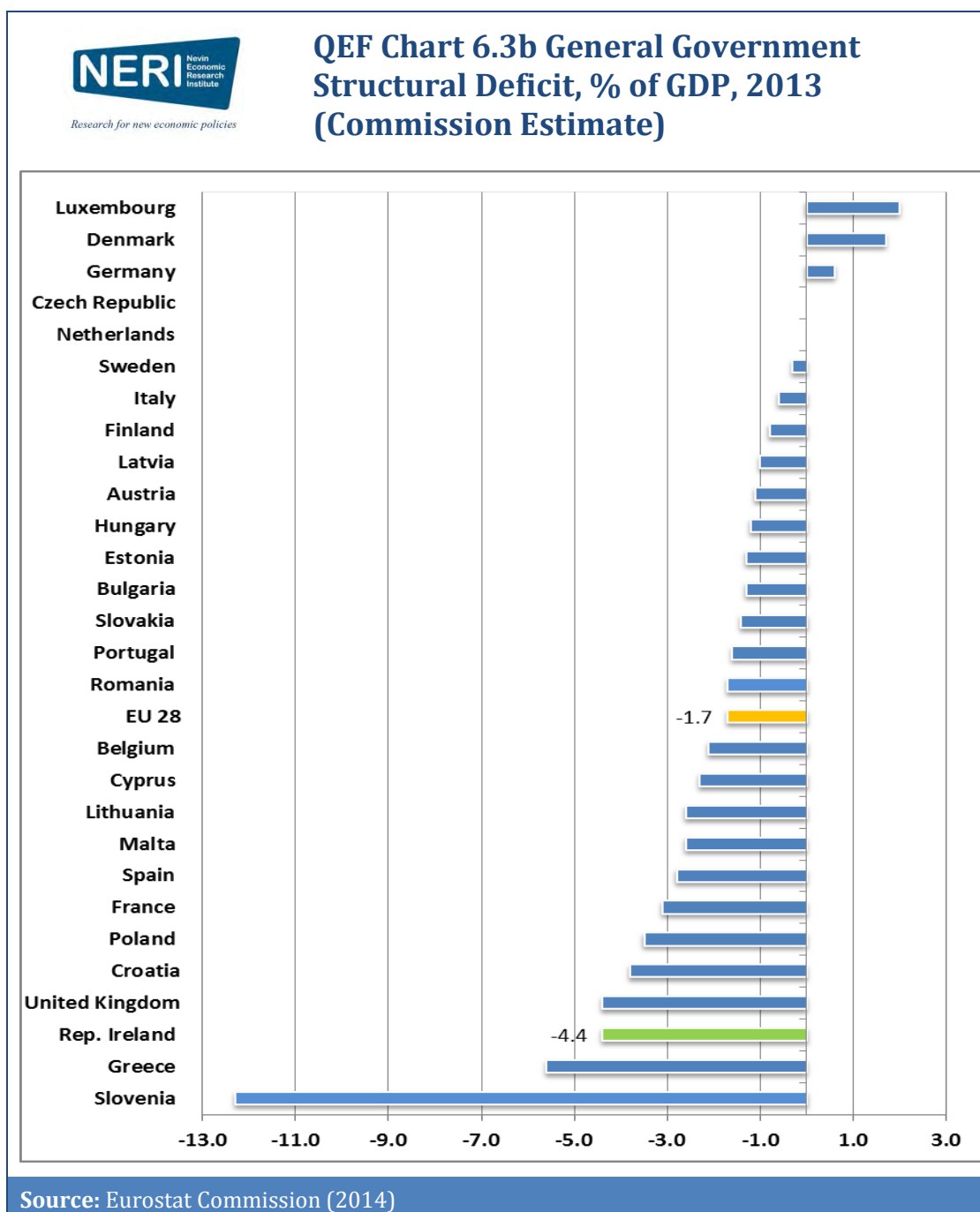
Eurostat online database available at: <http://epp.eurostat.ec.europa.eu> (gov_dd_edpt1 and gov_a_main)

Indicator 6.3b Estimated General Government Structural Deficit, % of GDP, EU member states, 2013

Indicator defined

Total General Government Structural Deficit as % of GDP

Data is the latest available as of 10 March 2015





QEF Table 6.3b General Government Structural Deficit, % of GDP, 2013 (Commission Estimate)

Country	%	Country	%
Slovenia	-12.3	Slovakia	-1.4
Greece	-5.6	Bulgaria	-1.3
Rep. Ireland	-4.4	Estonia	-1.3
UK	-4.4	Hungary	-1.2
Croatia	-3.8	Austria	-1.1
Poland	-3.5	Latvia	-1.0
France	-3.1	Finland	-0.8
Spain	-2.8	Italy	-0.6
Malta	-2.6	Sweden	-0.3
Lithuania	-2.6	Netherlands	0.0
Cyprus	-2.3	Czech Republic	0.0
Belgium	-2.1	Germany	0.6
EU 28	-1.7	Denmark	1.7
Romania	-1.7	Luxembourg	2.0
Portugal	-1.6		

Source: Eurostat Government Statistics (2014)

Interpretation

One of the rules contained in the 2012 EU Fiscal Compact stipulates that a Government's 'structural deficit' should not be greater than 0.5% of GDP for countries that have a debt-to- GDP ratio of over 60%.

Technical Notes

The structural balance cannot be observed directly. Estimates for this variable are often subject to substantial revisions. Calculation is based on the estimated gap between 'potential output' in the economy - where the economy is at its potential capacity - and the actual level of output. Potential output is estimated with reference to such factors as the degree of spare capacity in an economy, the level of technology in a country, the total stock of capital and the potential supply of labour. The measure of the potential supply of labour, and therefore the structural deficit, depends on what economists refer to as the 'Non-Accelerating Wage Rate of Unemployment' (NAWRU) - i.e. the level of unemployment for which wages do not accelerate. The difference between actual and potential GDP is referred to as the 'output gap'. The value of the output gap is negative when potential GDP exceeds actual GDP. Economists use the estimated output gap to derive a value for the cyclical component of the Government deficit with the residual component identified as 'structural'.

Source(s):

European Commission (2014) Cyclical Adjustment on Budget Balances – Autumn 2014:

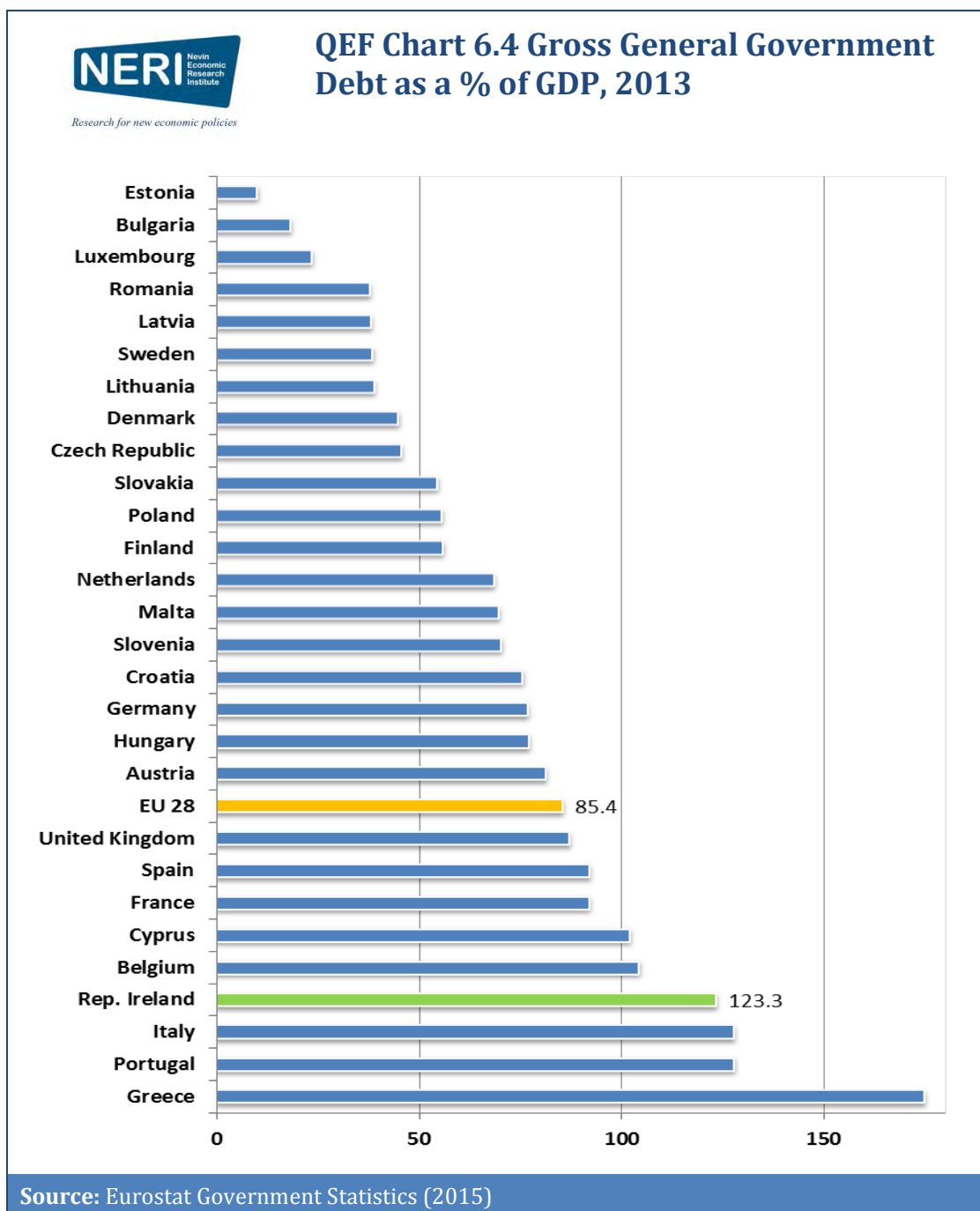
http://ec.europa.eu/economy_finance/db_indicators/gen_gov_data/documents/2014/ccab_autumn_en.pdf

Indicator 6.4 General Government Gross Debt as % of GDP, EU member states, 2013

Indicator defined

Gross General Government Debt as % of GDP

Data is the latest available as of 10 March 2015



QEF Table 6.4 General Government Gross Debt as % of GDP, 2013

Country	%	Country	%
Greece	174.9	Malta	69.8
Portugal	128.0	Netherlands	68.6
Italy	127.9	Finland	56.0
Rep. Ireland	123.3	Poland	55.7
Belgium	104.5	Slovakia	54.6
Cyprus	102.2	Czech Republic	45.7
France	92.2	Denmark	45.0
Spain	92.1	Lithuania	39.0
United Kingdom	87.2	Sweden	38.6
EU 28	85.4	Latvia	38.2
Austria	81.2	Romania	37.9
Hungary	77.3	Luxembourg	23.6
Germany	76.9	Bulgaria	18.3
Croatia	75.7	Estonia	10.1
Slovenia	70.4		

Source: Eurostat Government Statistics (2015)

Interpretation

A rule contained in the 2012 EU Fiscal Compact stipulates that where the gross general government debt-to-GDP ratio exceeds 60% countries must reduce it by 1/20 of the excess per annum. In 2013 the Republic of Ireland at 123.3% of GDP was one of 16 EU member states above the 60% threshold.

Technical Notes

Gross General Government Debt is defined as the total consolidated gross debt at nominal value at the end of the year in the following categories of government liabilities (as defined in ESA95): currency and deposits (AF.2), securities other than shares excluding financial derivatives (AF.3, excluding AF.34), and loans (AF.4).

Source(s)

Eurostat online database available at: <http://epp.eurostat.ec.europa.eu> (gov_a_main)

Notes

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