# Quarterly Economic Facts

Autumn 2015

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NERI Nevin Economic Research Institute

# 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 (Autumn 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

# Autumn 2015

This document is also available in electronic format on our website: **www.NERInstitute.net**

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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 (Autumn 2015) edition incorporates a restructure of the QEF set of indicators. 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

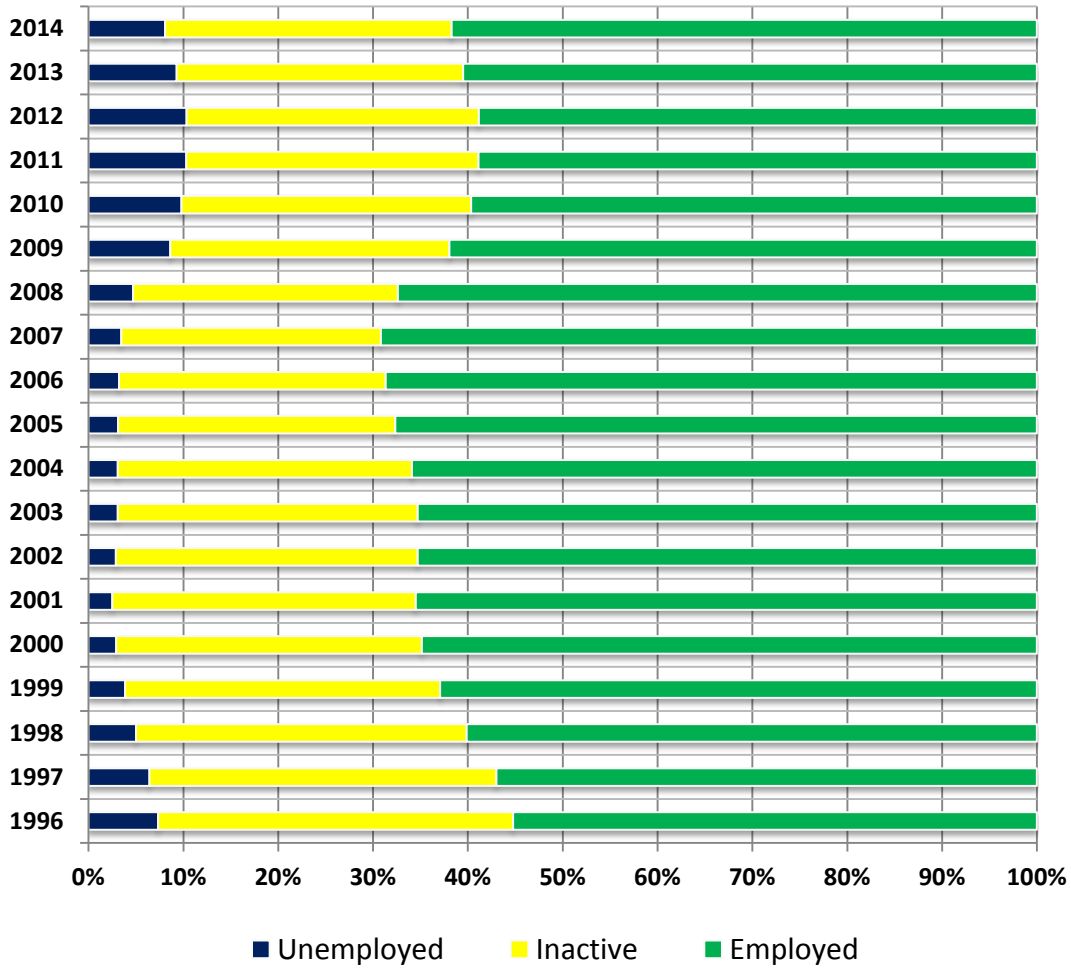
# Indicator 1.1a Employment and Unemployment Trends (Republic of Ireland)

## 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 14September 2015

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




**Source:** Eurostat Labour Force Survey

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

| | Total aged 15-64 '000s | Unemployed | Inactive | Employed |
|---|---|---|---|---|
| 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 | 3,034.7 | 3.5% | 27.4% | 69.2% |
| 2008 | 3,089.4 | 4.7% | 27.9% | 67.4% |
| 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% |
| 2014 | 3,007.4 | 8.1% | 30.2% | 61.7% |

**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]

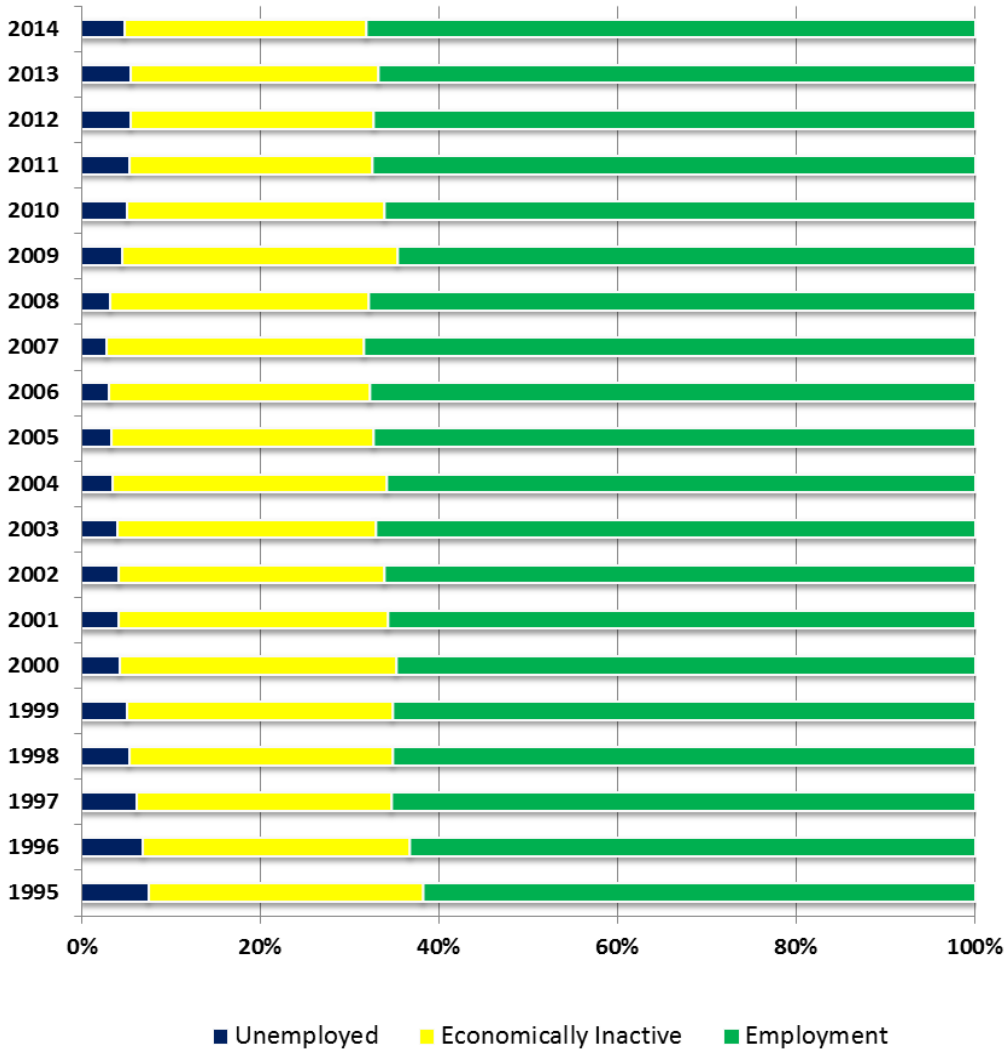
# Indicator 1.1b Employment and Unemployment Trends (Northern Ireland)

## Indicator defined

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

Data is the latest available as of 18 September 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

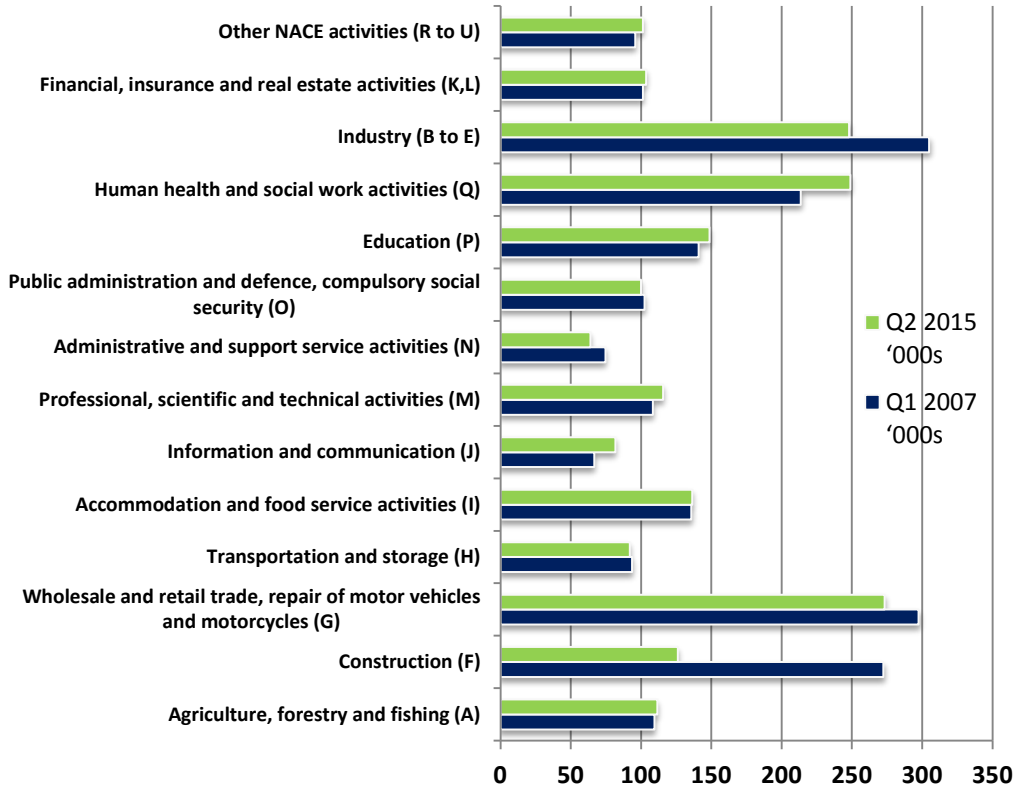
# Indicator 1.2a Employment Change by Sector in the Republic of Ireland

## Indicator defined

Employment at NACE 2 sectoral level comparing the level in Q1 2007 with current employment levels (seasonally adjusted).

Data is the latest available as of 14 September 2015

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




**Source:** CSO Statbank

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

| Economic Sector | Q1 2007 '000s | Q1 2015 '000s |
|---|---|---|
| Agriculture, forestry and fishing (A) | 109.6 | 111.7 |
| Construction (F) | 272.5 | 126.3 |
| Wholesale and retail trade, repair of motor vehicles and motorcycles (G) | 297.4 | 273.4 |
| Transportation and storage (H) | 93.8 | 92.1 |
| Accommodation and food service activities (I) | 135.9 | 136.5 |
| Information and communication (J) | 66.8 | 81.8 |
| Professional, scientific and technical activities (M) | 108.5 | 115.7 |
| Administrative and support service activities (N) | 74.7 | 64 |
| Public administration and defence, compulsory social security (O) | 102.6 | 100 |
| Education (P) | 141.1 | 148.9 |
| Human health and social work activities (Q) | 213.8 | 248.9 |
| Industry (B to E) | 305.1 | 248.1 |
| Financial, insurance and real estate activities (K,L) | 101.4 | 103.7 |
| Other NACE activities (R to U) | 95.9 | 101.4 |

**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 2007. Three out every five construction jobs have been lost during the period Q1 2007 to Q1 2014.

## Technical Notes

The *CSO's Quarterly National Household Survey* is a 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]

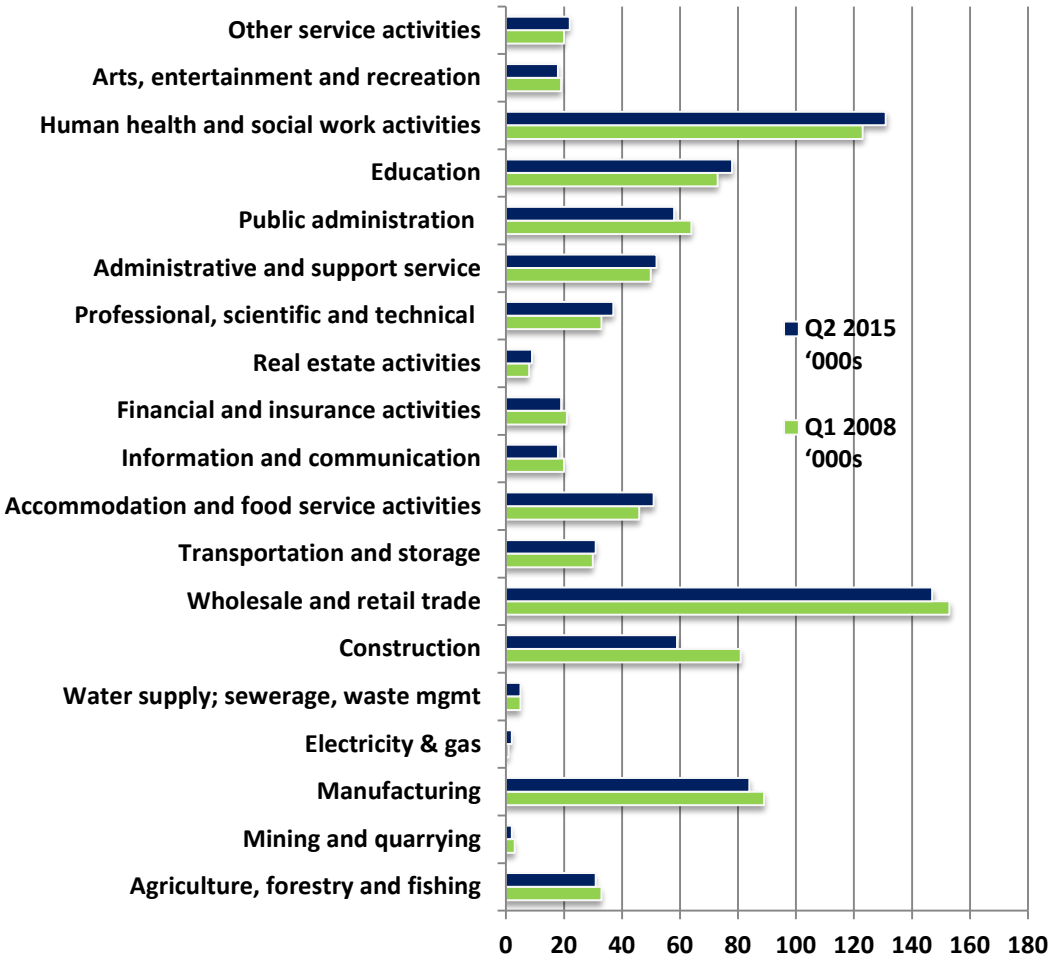
# Indicator: 1.2b Employment Change by Sector in Northern Ireland

## 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 18 Septeber 2015

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




**Source:** ONS (2015)

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

| Industry | Q1 2008 '000s | Q2 2015 '000s |
|---|---|---|
| Agriculture, forestry and fishing | 33 | 31 |
| Mining and quarrying | 3 | 2 |
| Manufacturing | 90 | 84 |
| Electricity & gas | 1 | 2 |
| Water supply; sewerage, waste mgmt | 5 | 5 |
| Construction | 81 | 59 |
| Wholesale and retail trade | 153 | 147 |
| Transportation and storage | 30 | 31 |
| Accommodation and food service activities | 46 | 51 |
| Information and communication | 20 | 18 |
| Financial and insurance activities | 21 | 19 |
| Real estate activities | 8 | 9 |
| Professional, scientific and technical | 33 | 37 |
| Administrative and support service | 50 | 52 |
| Public administration | 64 | 58 |
| Education | 73 | 78 |
| Human health and social work activities | 123 | 131 |
| Arts, entertainment and recreation | 18 | 18 |
| Other service activities | 20 | 22 |
| **Total** | **870** | **854** |

## Interpretation

Overall total workforce jobs in the fourth quarter of 2014 are still 2% below the total figure for the first quarter of 2008. The fall in construction of 27% 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 and Accommodation and food services have seen gains in the last year, but have still some way to go to recover their 2008 level.

## 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

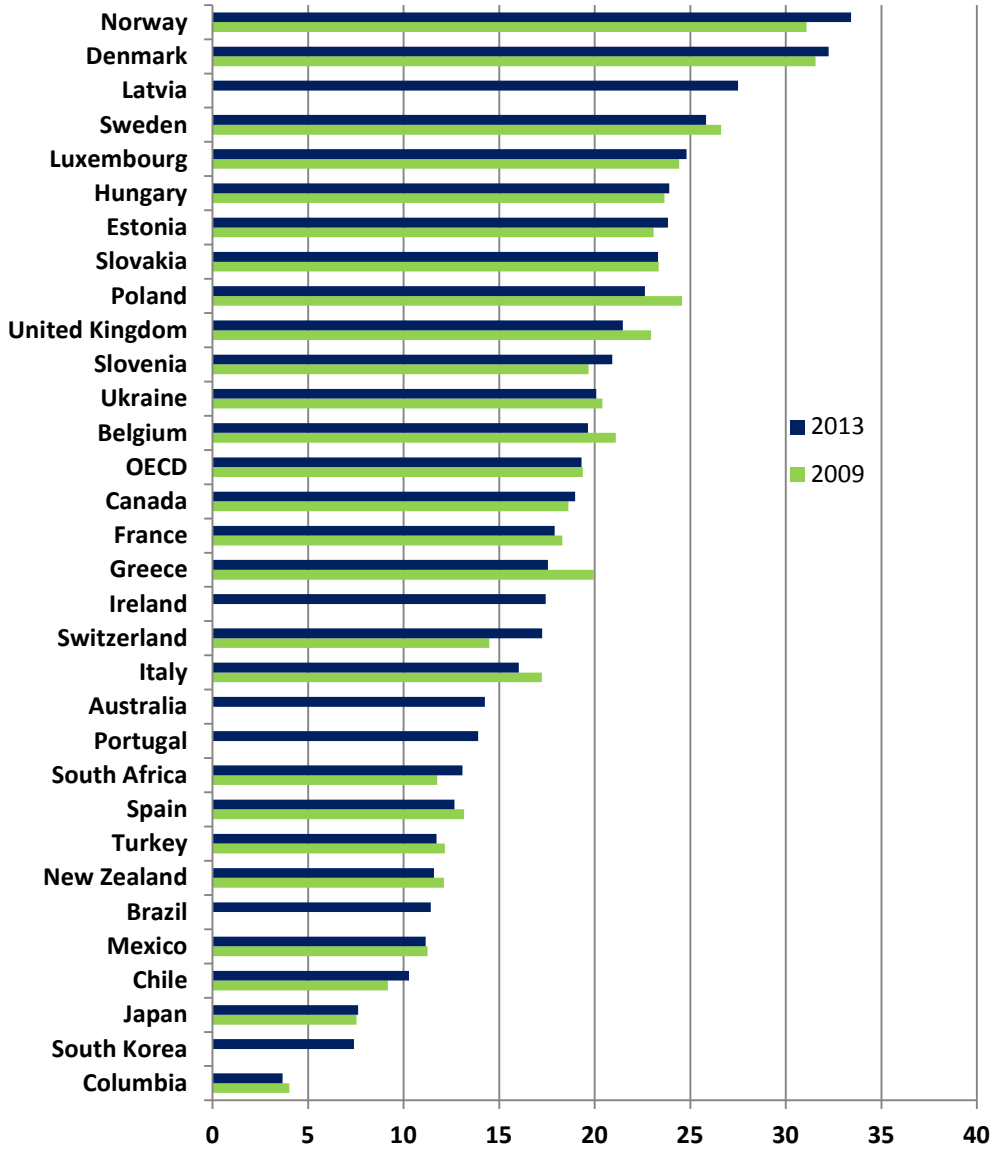
# Indicator: 1.3 Numbers Employed in the Wide Public Sector (OECD), 2013

## Indicator defined

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

Data the latest available as of 14 September 2015.

## QEF Chart 1.3 Numbers Employed in the Wide Public Sector (OECD), 2013




**Source:** OECD Government at a Glance. 2013 data for Czech Republic & Germany unavailable

# QEF Table 1.3 Total Numbers Employed in the Public Sector (OECD), 2013

| Country | 2009 | 2013 | Country | 2009 | 2013 |
|---|---|---|---|---|---|
| Columbia | 4.0 | 3.7 | Canada | 18.6 | 19.0 |
| South Korea | - | 7.4 | **OECD** | **19.4** | **19.3** |
| Japan | 7.5 | 7.6 | Belgium | 21.1 | 19.6 |
| Chile | 9.2 | 10.3 | Ukraine | 20.4 | 20.1 |
| Mexico | 11.2 | 11.2 | Slovenia | 19.7 | 20.9 |
| Brazil | - | 11.4 | United Kingdom | 22.9 | 21.5 |
| New Zealand | 12.1 | 11.6 | Poland | 24.6 | 22.6 |
| Turkey | 12.2 | 11.7 | Slovakia | 23.3 | 23.3 |
| Spain | 13.2 | 12.7 | Estonia | 23.1 | 23.8 |
| South Africa | 11.7 | 13.1 | Hungary | 23.7 | 23.9 |
| Portugal | - | 13.9 | Luxembourg | 24.4 | 24.8 |
| Australia | - | 14.3 | Sweden | 26.6 | 25.8 |
| Italy | 17.2 | 16.0 | Latvia | - | 27.5 |
| Switzerland | 14.5 | 17.3 | Denmark | 31.6 | 32.2 |
| Ireland | - | 17.4 | Norway | 31.1 | 33.4 |
| Greece | 19.9 | 17.5 | Czech Republic | 31.8 | - |
| France | 18.3 | 17.9 | Germany | 14.2 | - |

**Source:** OECD Government at a Glance

## Interpretation

Ireland's 'wide public sector' share of total employment, as published by the OECD in 2013 was 17.4% for the year 2013. This was below the OECD country average of 19.3% in 2013 for those countries reporting data.

## Technical Notes

OECD *Government at a Glance* was last published by the OECD in summer 2015 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 (2015)

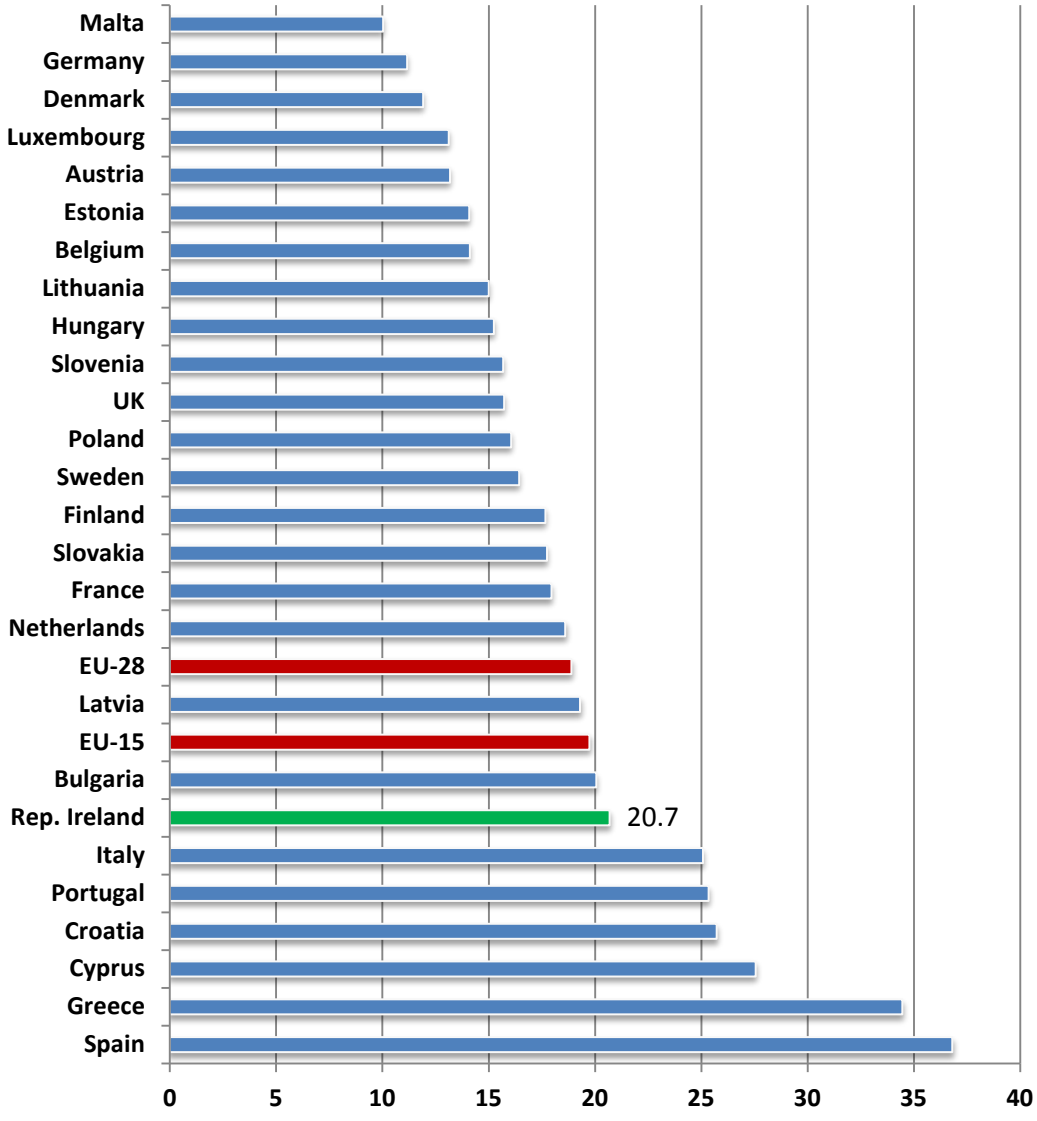
# Indicator 1.4 Unemployment plus Under-employment across European Union Member States, 2014

## Indicator defined

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

Data is the latest available as of 14 September 2015.

### QEF Chart 1.4 Unemployment plus Under-employment across European Union Member States, 2014




**Source:** Eurostat online database
**Note:** Data for Romania is unavailable

## QEF Table 1.4 Unemployment plus Under-employment across the EU, 2014

| Country | % | Country | % |
|---|---|---|---|
| Spain | 36.8 | UK | 15.7 |
| Greece | 34.5 | Slovenia | 15.7 |
| Cyprus | 27.6 | Hungary | 15.3 |
| Croatia | 25.7 | Lithuania | 15.0 |
| Portugal | 25.3 | Belgium | 14.1 |
| Italy | 25.1 | Estonia | 14.1 |
| Rep. Ireland | 20.7 | Austria | 13.2 |
| Bulgaria | 20.1 | Luxembourg | 13.1 |
| Latvia | 19.3 | Denmark | 11.9 |
| Netherlands | 18.6 | Germany | 11.2 |
| France | 18.0 | Malta | 10.0 |
| Slovakia | 17.7 | Czech Republic | 8.9 |
| Finland | 17.7 | **EU-28** | **18.9** |
| Sweden | 16.4 | **EU-15** | **19.7** |
| Poland | 16.1 | | |

**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]

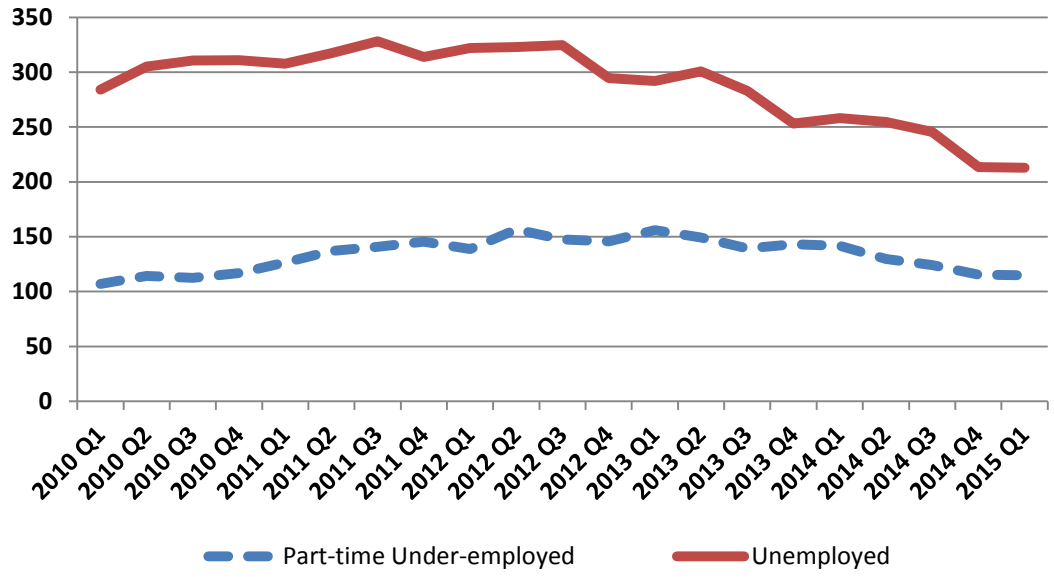
# Indicator 1.5a Under-employment in the Republic of Ireland

## Indicator defined

Numbers of unemployed and part-time underemployed

Data is the latest available as of 14 September 2015.

### QEF Chart 1.5a Under-employment in the Republic of Ireland, '000s




**Source:** CSO Quarterly National Household Survey, QNQ37

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

| Period | Part-time under-employed | Unemployed |
|---|---|---|
| **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 |
| **2015 Q1** | 114.8 | 212.8 |
| **2015 Q2** | 119.6 | 211.2 |

**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]

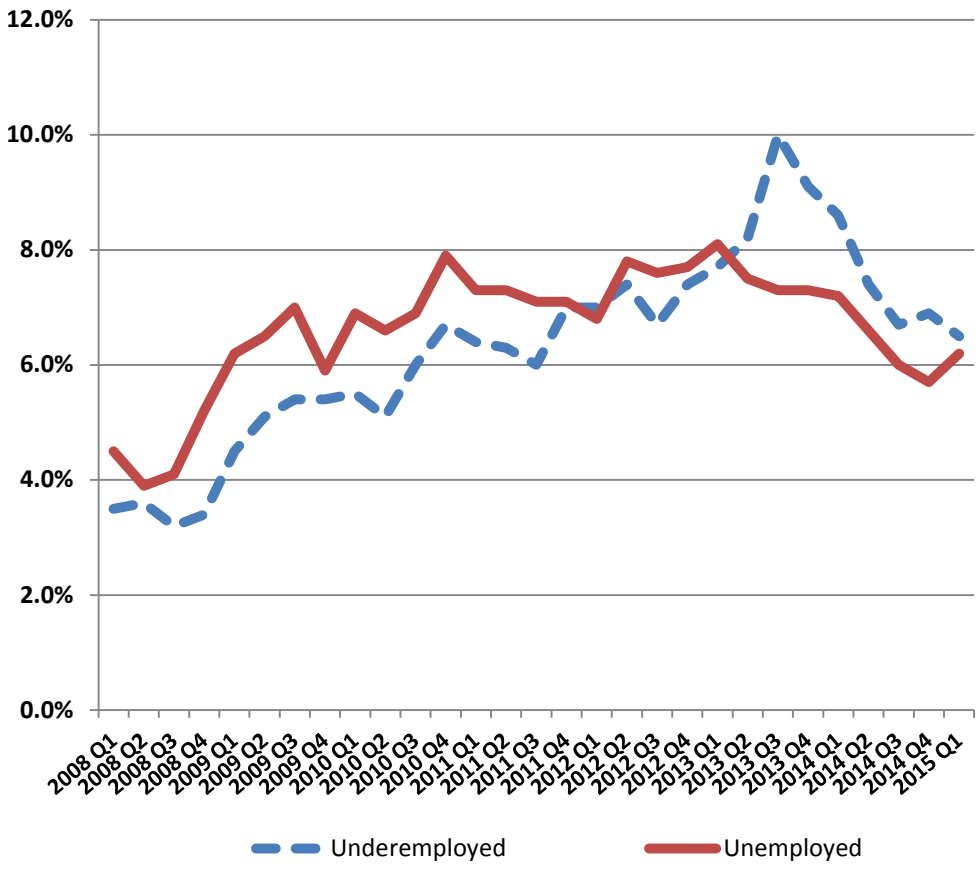
# Indicator 1.5b Under-employment in Northern Ireland

## 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 18 September 2015

## QEF Chart 1.5b Under-employment in Northern Ireland




**Source:** Northern Ireland Labour Force Survey

## QEF Table 1.5b Under-employment in Northern Ireland

| Quarter | Underemployed | Unemployed |
|---|---|---|
| 2008 Q1 | 3.5% | 4.5% |
| 2008 Q2 | 3.6% | 3.9% |
| 2008 Q3 | 3.2% | 4.1% |
| 2008 Q4 | 3.4% | 5.2% |
| 2009 Q1 | 4.5% | 6.2% |
| 2009 Q2 | 5.1% | 6.5% |
| 2009 Q3 | 5.4% | 7.0% |
| 2009 Q4 | 5.4% | 5.9% |
| 2010 Q1 | 5.5% | 6.9% |
| 2010 Q2 | 5.1% | 6.6% |
| 2010 Q3 | 6.0% | 6.9% |
| 2010 Q4 | 6.7% | 7.9% |
| 2011 Q1 | 6.4% | 7.3% |
| 2011 Q2 | 6.3% | 7.3% |
| 2011 Q3 | 6.0% | 7.1% |
| 2011 Q4 | 7.0% | 7.1% |
| 2012 Q1 | 7.0% | 6.8% |
| 2012 Q2 | 7.4% | 7.8% |
| 2012 Q3 | 6.7% | 7.6% |
| 2012 Q4 | 7.4% | 7.7% |
| 2013 Q1 | 7.7% | 8.1% |
| 2013 Q2 | 8.2% | 7.5% |
| 2013 Q3 | 10.0% | 7.3% |
| 2013 Q4 | 9.1% | 7.3% |
| 2014 Q1 | 8.6% | 7.2% |
| 2014 Q2 | 7.4% | 6.6% |
| 2014 Q3 | 6.7% | 6.0% |
| 2014 Q4 | 6.9% | 5.7% |
| 2015 Q1 | 6.5% | 6.2% |
| **Source:** | Northern Ireland Labour Force Survey | |

## Interpretation

This indicator presents the ILO definition of underemployment 'person who is in employment, working less than 48 hours per week, would like to work more hours and is available to start in the next fortnight'. Underemployment has declined with unemployment in the last two years, but may be on the rise again.

## Technical Notes

Underemployment rate calculated as a percentage of those in employment who answered the underemployment question.

## Source(s)

Northern Ireland **Labour** Force Survey

# Indicator 1.6 Average Hours Worked Across OECD Countries

## Indicator defined

Average annual hours actually worked per worker in 2014

Data is the latest available as of 14 September 2015.

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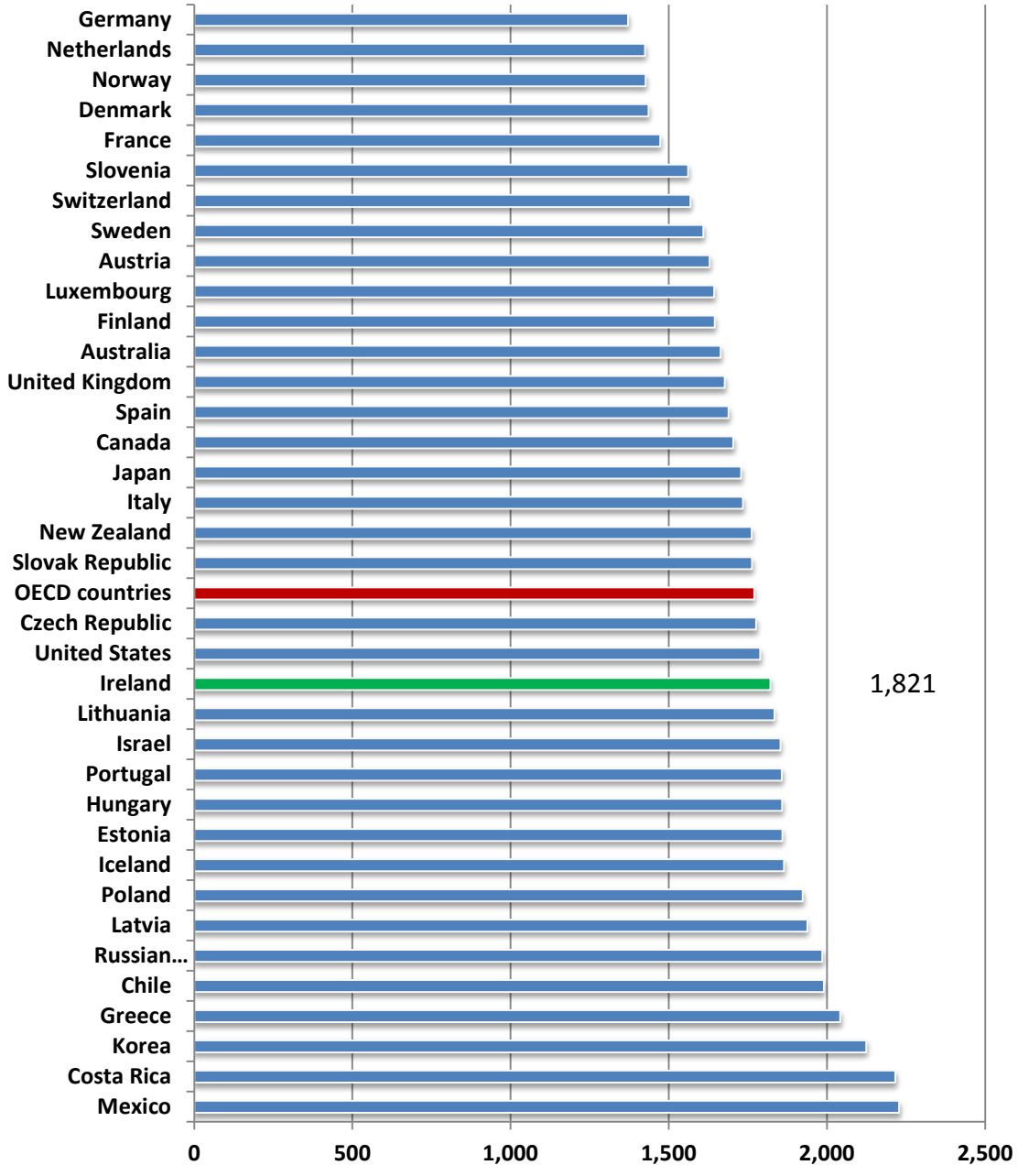
### QEF Chart 1.6 Average Number of Hours Worked Across OECD Countries




**Source:** OECD Labour Force Statistics
**Note:** Data for Korea is unavailable.

## QEF Table 1.6 Average Number of Hours Worked Across OECD Countries

| Country | Hours | Country | Hours |
|---|---|---|---|
| Mexico | 2,228 | Italy | 1,734 |
| Costa Rica | 2,216 | Japan | 1,729 |
| Korea | 2,124 | Canada | 1,704 |
| Greece | 2,042 | Spain | 1,689 |
| Chile | 1,990 | United Kingdom | 1,677 |
| Russian | 1,985 | Australia | 1,664 |
| Latvia | 1,938 | Finland | 1,645 |
| Poland | 1,923 | Luxembourg | 1,643 |
| Iceland | 1,864 | Austria | 1,629 |
| Estonia | 1,859 | Sweden | 1,609 |
| Hungary | 1,858 | Switzerland | 1,568 |
| Portugal | 1,857 | Slovenia | 1,561 |
| Israel | 1,853 | France | 1,473 |
| Lithuania | 1,834 | Denmark | 1,436 |
| Ireland | 1,821 | Norway | 1,427 |
| United States | 1,789 | Netherlands | 1,425 |
| Czech Republic | 1,776 | Germany | 1,371 |
| Slovak Republic | 1,763 | **OECD countries** | **1,770** |
| New Zealand | 1,762 | | |

**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

# Indicator 2.1a The Rate of Unemployment across European Union Member States, August 2015

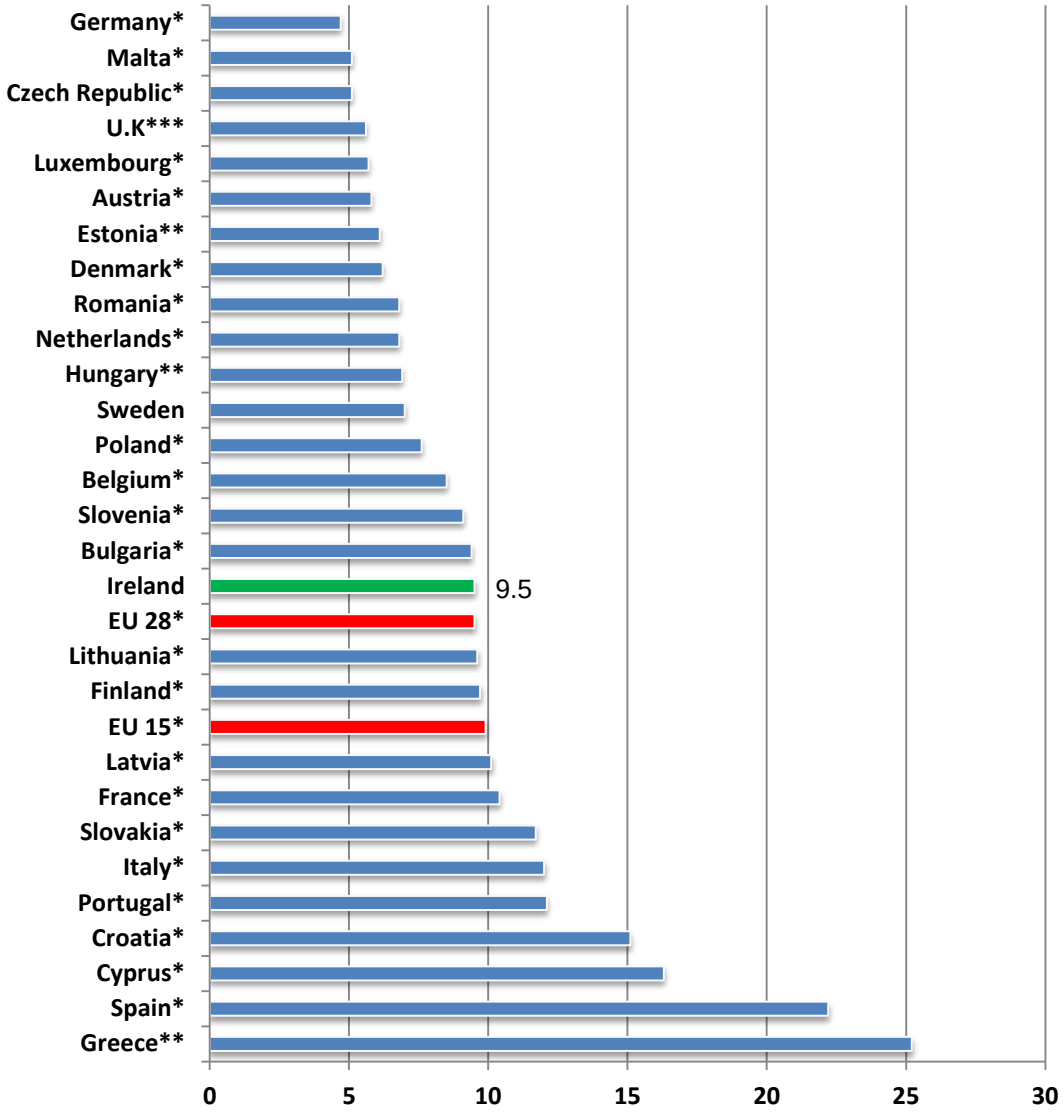
## Indicator defined

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

Data is the latest available as of 15 September 2015

NERI Nevin Economic Research Institute
*Research for new economic policies*

### QEF Chart 2.1 The Rate of Unemployment across European Union Member States




**Source:** Eurostat online database
**Note:** *Data from July 2015; **Data from June 2015; *** Data from May 2015

## Table 2.1 The Rate of Unemployment across European Union Member States

| Country | % | Country | % |
|---|---|---|---|
| Greece* | 25.6 | Poland | 7.9 |
| Spain | 22.7 | Sweden | 7.8 |
| Croatia | 17.5 | Hungary* | 7.3 |
| Cyprus | 15.6 | Netherlands | 7 |
| Portugal | 13.0 | Romania | 6.9 |
| Italy | 12.4 | Denmark | 6.3 |
| Slovakia | 12.1 | Estonia* | 6.1 |
| France | 10.5 | Czech Republic | 5.9 |
| Bulgaria | 10.1 | Luxembourg | 5.7 |
| Ireland | 9.7 | Malta | 5.7 |
| Latvia* | 9.7 | Austria | 5.7 |
| Finland | 9.4 | U.K.** | 5.4 |
| Slovenia | 9.3 | Germany | 4.7 |
| Lithuania | 8.9 | **EU 15** | **10.0** |
| Belgium | 8.5 | **EU 28** | **9.7** |

**Note:** *Data from July 2015; **Data from June 2015; *** Data from May 2015

## Interpretation

The rate of unemployment varied considerably across EU Member States. The average across the whole European Union was 9.7% while in the Republic of Ireland the rate was 9.5%.

## 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), 2008 Q1 — 2015 Q1

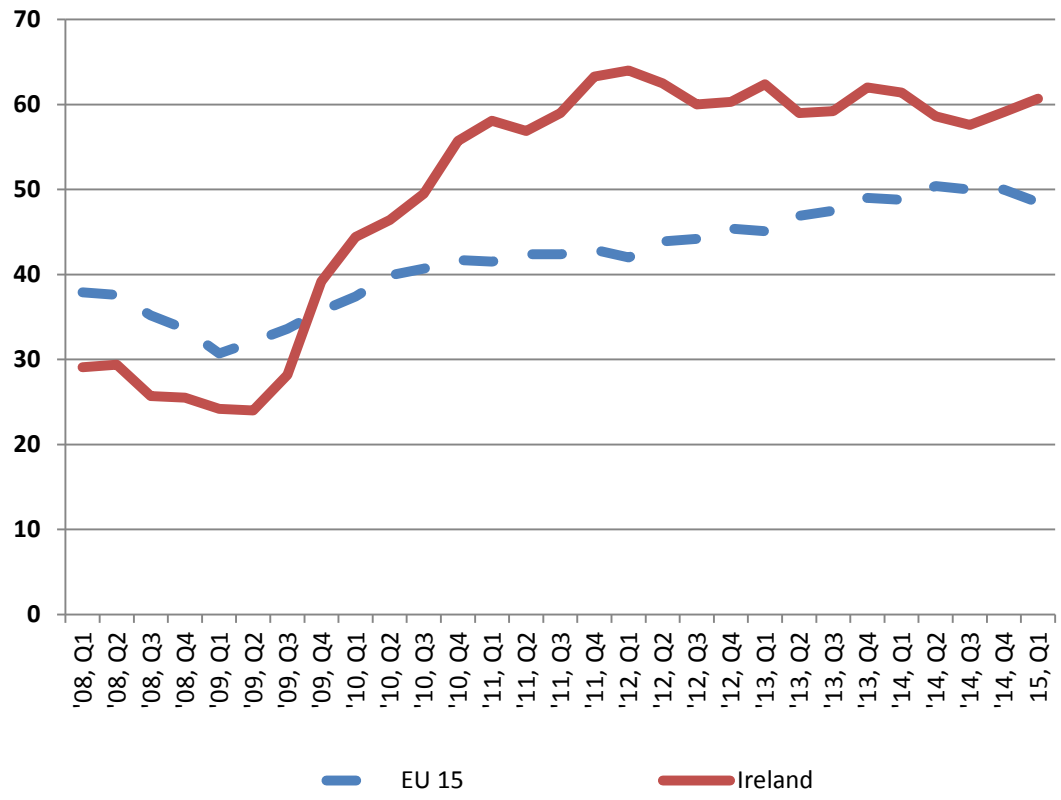
## Indicator defined

Long-term unemployed as a percentage of all unemployed

Data is the latest available as of 15 September 2015.

NERI Nevin Economic Research Institute
*Research for new economic policies*

### Chart 2.2a Rates of Long-term Unemployment (>12 months) as a % of total unemployment




**Source:** Eurostat online database

## 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** | 44.2 | 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** | 49.0 | 62.0 |
| **2014, Q1** | 48.8 | 61.4 |
| **2014, Q2** | 50.4 | 58.6 |
| **2014, Q3** | 50.1 | 57.6 |
| **2014, Q4** | 50.0 | 59.1 |
| **2014, Q1** | 48.5 | 60.7 |

## 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)

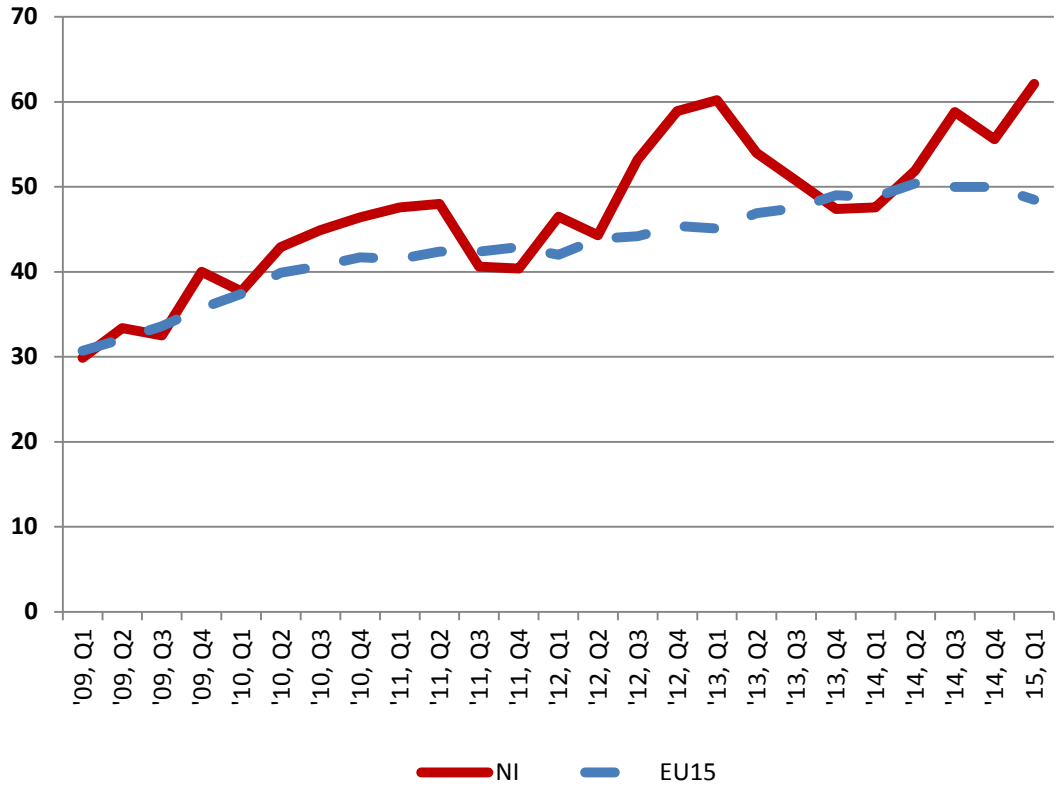
# Indicator 2.2b Long-term Unemployment Trends (Northern Ireland), Q1 2009 —Q1 2015

## Indicator defined

Long-term unemployed as a percentage of all unemployed

Data is the latest available as of 15 September 2015

### QEF Chart 2.2b Rates of Long-term Unemployment (>12 months) as a % of total unemployment, Q1 2009 —Q1 2015




**Source:** Eurostat online database

## 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 |
| **2014, Q4** | 55.6 | 50.0 |
| **2015, Q1** | 62.1 | 48.5 |

## 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]

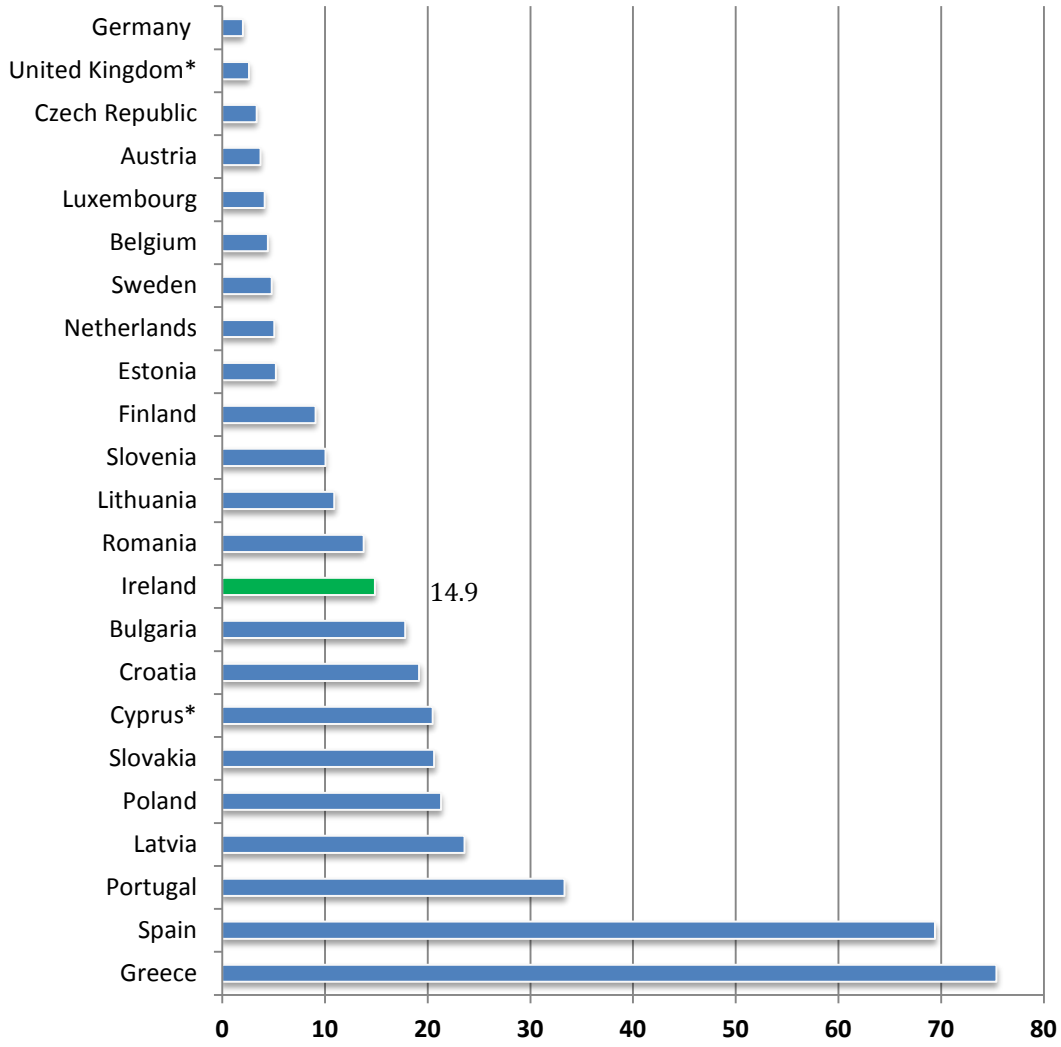
# Indicator 2.3a Unemployed Persons per Job Vacancy (Republic of Ireland), 2015 Q2

## Indicator defined

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

Data is the latest available as of 15 September 2015.

### QEF Chart 2.3a Ratio of unemployed to job vacancies—2015,Q2




**Source:** Eurostat online database
**Notes:** *Data for U.K. refers to 2015 Q1

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

| Country | Ratio | Country | Ratio |
|---|---|---|---|
| Greece | 75.4 | Slovenia | 10.1 |
| Spain | 69.4 | Finland | 9.1 |
| Portugal | 33.3 | Estonia | 5.2 |
| Latvia | 23.6 | Netherlands | 5.1 |
| Poland | 21.3 | Sweden | 4.8 |
| Slovakia | 20.6 | Belgium | 4.5 |
| Cyprus* | 20.5 | Luxembourg | 4.1 |
| Croatia | 19.2 | Austria | 3.7 |
| Bulgaria | 17.8 | Czech Republic | 3.4 |
| Ireland | 14.9 | United Kingdom* | 2.6 |
| Romania | 13.8 | Germany | 2.0 |
| Lithuania | 10.9 | | |

Notes: *Data for U.K refers to 2015 Q1

## 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)

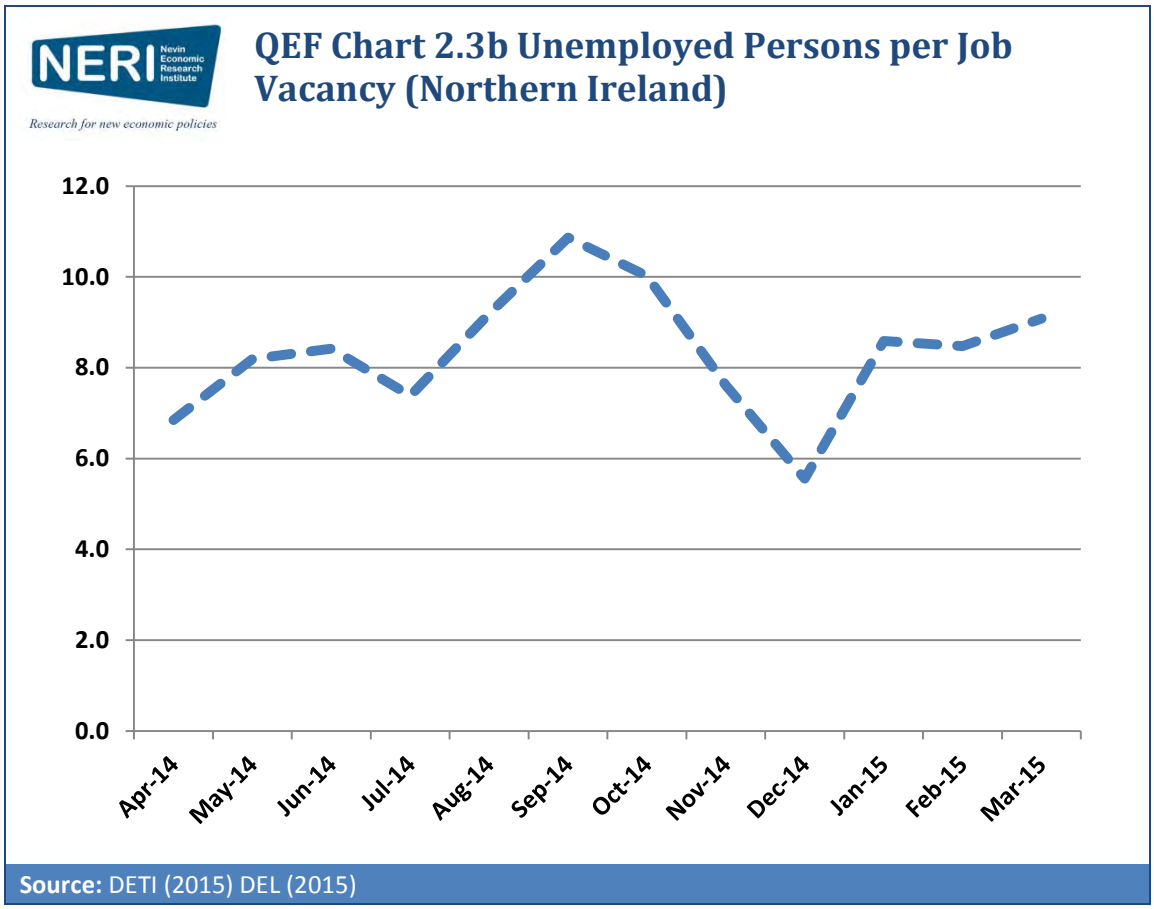
Eurostat online database http://epp.eurostat.ec.europa.eu (jvs_q_nace2 and lfsq_ugan)

# 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 18 September 2015




**Source:** DETI (2015) DEL (2015)

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

| Quarter | No.'s Unemployed | No. of Vacancies | Unemployed per Vacancy |
|---|---|---|---|
| **Apr-14** | 61,000 | 4,178 | 6.8 |
| **May-14** | 59,000 | 4,836 | 8.2 |
| **Jun-14** | 58,000 | 4,883 | 8.4 |
| **Jul-14** | 57,000 | 4,210 | 7.4 |
| **Aug-14** | 53,000 | 4,870 | 9.2 |
| **Sep-14** | 52,000 | 5,651 | 10.9 |
| **Oct-14** | 55,000 | 5,512 | 10.0 |
| **Nov-14** | 50,000 | 3,803 | 7.6 |
| **Dec-14** | 50,000 | 2,780 | 5.6 |
| **Jan-15** | 52,000 | 4,466 | 8.6 |
| **Feb-15** | 53,000 | 4,492 | 8.5 |
| **Mar-15** | 55,000 | 4,995 | 9.1 |
| **Note:** | Note if required here under the table | | |
| **Source:** | DEL (2015) & DETI (2015) | | |

## Interpretation

Vacancy statistics are an important measure of the surplus demand for labour in the economy while unemployment numbers represent and 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. While there has been a fall in the total numbers unemployed over the last year, job vacancies have also decreased leading to a 2.3 increase in the ratio.

## 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

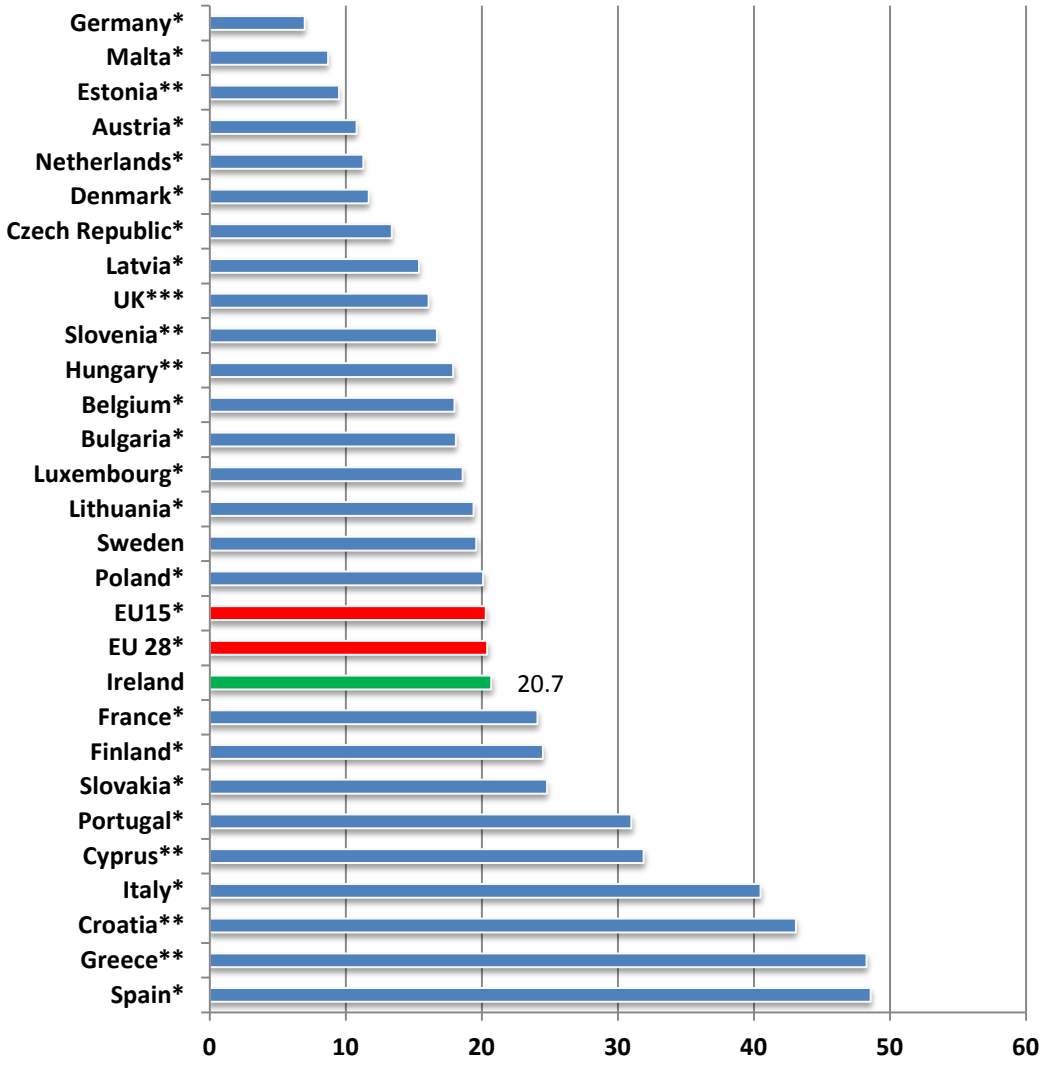
# Indicator 2.4 Youth Unemployment across European Union Member States, August 2015

## 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 15 September 2015

### QEF Chart 2.4 Youth Unemployment across European Union Member States, August 2015




**Source:** Eurostat online database
**Notes:** *July 2015; **June 2015 *** May 2015

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

| Country | % | Country | % |
|---|---|---|---|
| Spain* | 48.6 | Belgium* | 18 |
| Greece** | 48.3 | Hungary** | 17.9 |
| Croatia** | 43.1 | Slovenia** | 16.7 |
| Italy* | 40.5 | United Kingdom*** | 16.1 |
| Cyprus** | 31.9 | Latvia* | 15.4 |
| Portugal* | 31 | Czech Republic* | 13.4 |
| Slovakia* | 24.8 | Denmark* | 11.7 |
| Finland* | 24.5 | Netherlands* | 11.3 |
| France* | 24.1 | Austria* | 10.8 |
| Ireland | 20.7 | Estonia** | 9.5 |
| Poland* | 20.1 | Malta* | 8.7 |
| Sweden | 19.6 | Germany* | 7 |
| Lithuania* | 19.4 | **EU 28*** | **20.4** |
| Luxembourg* | 18.6 | **EU15*** | **20.3** |
| Bulgaria* | 18.1 | | |

**Notes:** *July 2015; **June 2015 *** May 2015

## 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).

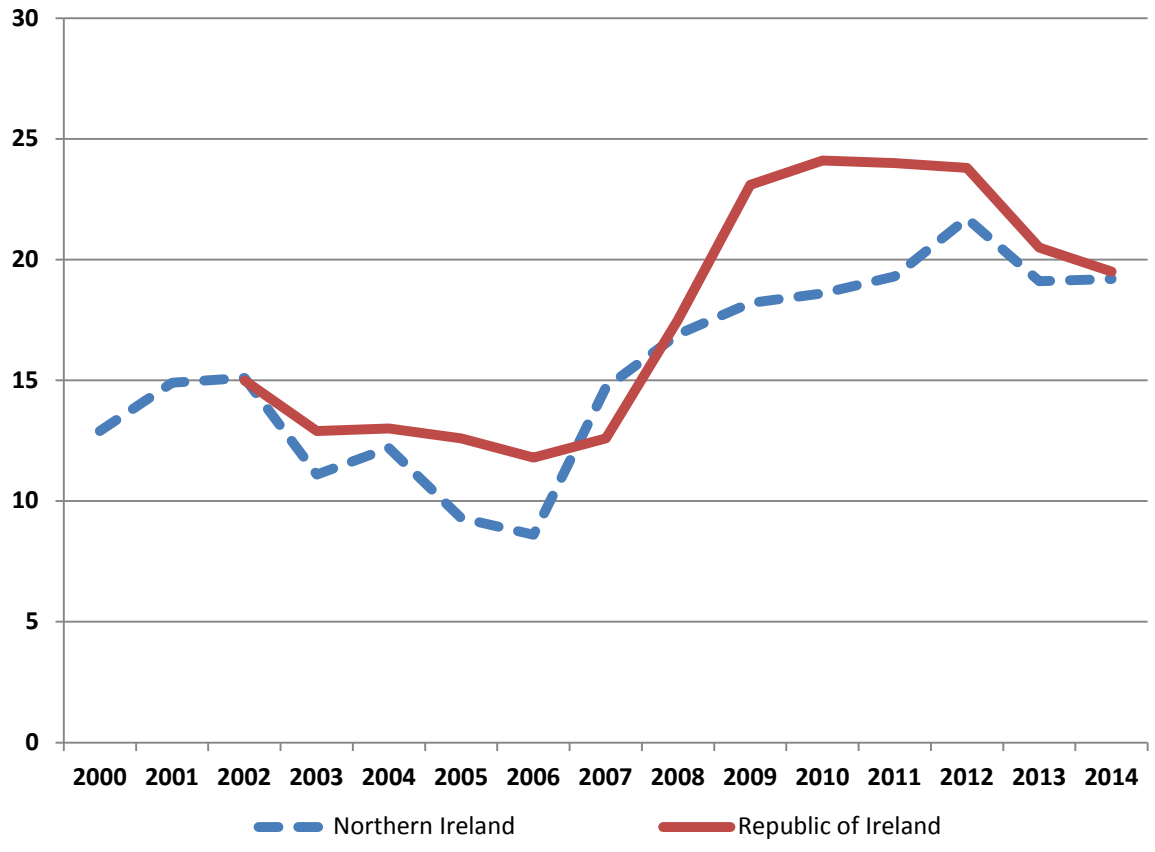
# Indicator 2.5 Young People Not in Education, Employment or Training (NEETs), ROI and NI

## 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 18 September 2015

### QEF Chart 2.5 NEETs Northern Ireland and the Republic of Ireland




**Source:** Eurostat (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** | 19.3 | 24.0 |
| **2012** | 21.7 | 23.8 |
| **2013** | 19.1 | 20.5 |
| **2014** | 19.2 | 19.5 |

**Source:** Eurostat (2015)

# 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 2010 in the Republic and 2012 in Northern Ireland. There has been a substantial decrease in the Republic of Ireland in the last two years, but the NEET rate increased in Northern Ireland in 2014.

# 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)

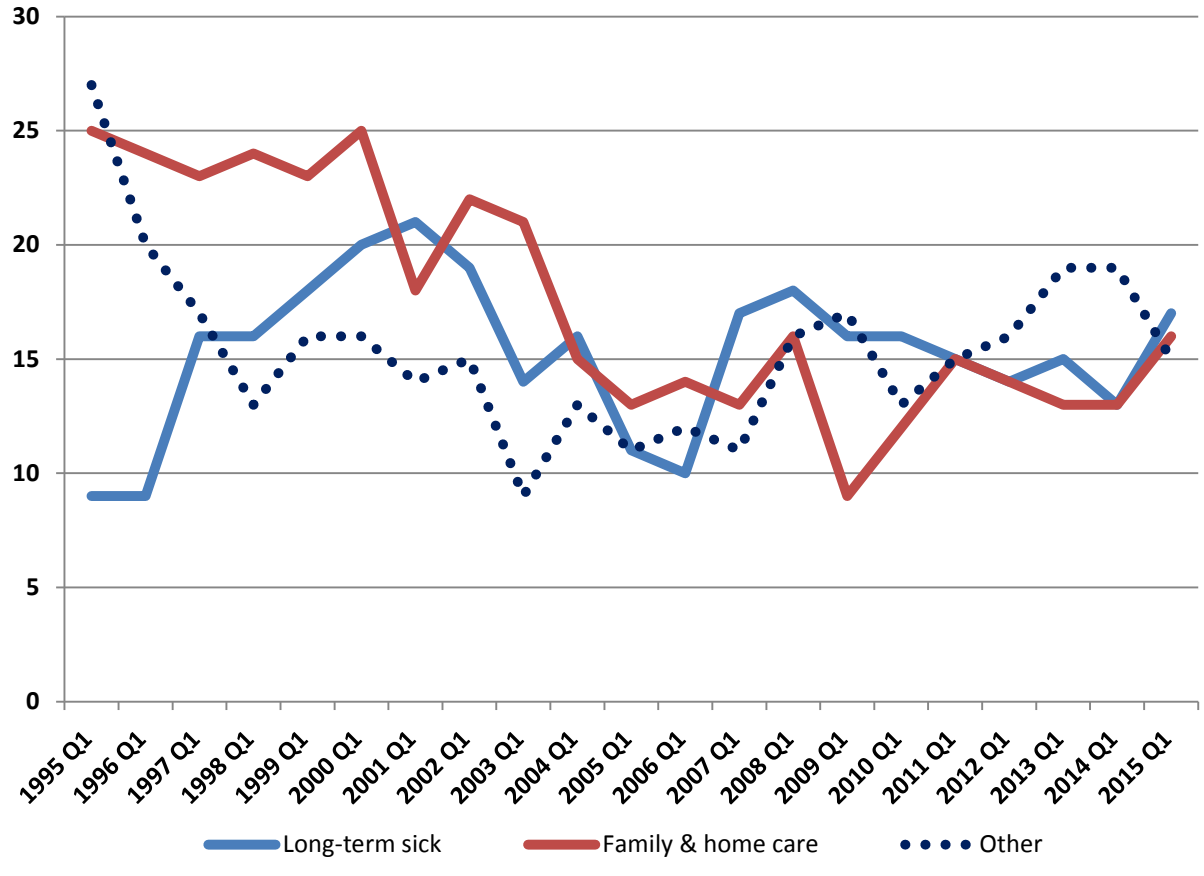
# Indicator 2.6 A Profile of Economic Inactivity among those who want to work in Northern Ireland

## Indicator defined

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

Data is the latest available as of 18 September 2015

### QEF Chart 2.6 Reasons for Economic Inactivity in Northern Ireland, 1995-2015




**Source:** NISRA (2015)

## QEF Table 2.6 Reasons for Economic Inactivity, 1995-2015 (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 |
| **2015 Q1** | 17 | 16 | 15 |

**Source:** NISRA (2015)

## 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. While there has been a modest reduction in overall rates of economic inactivity, the same reduction has also taken place at UK level. The chart and table above show that there is no one clear reason why people who want to work remain economically inactive, and further research into this trend is required.

## 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

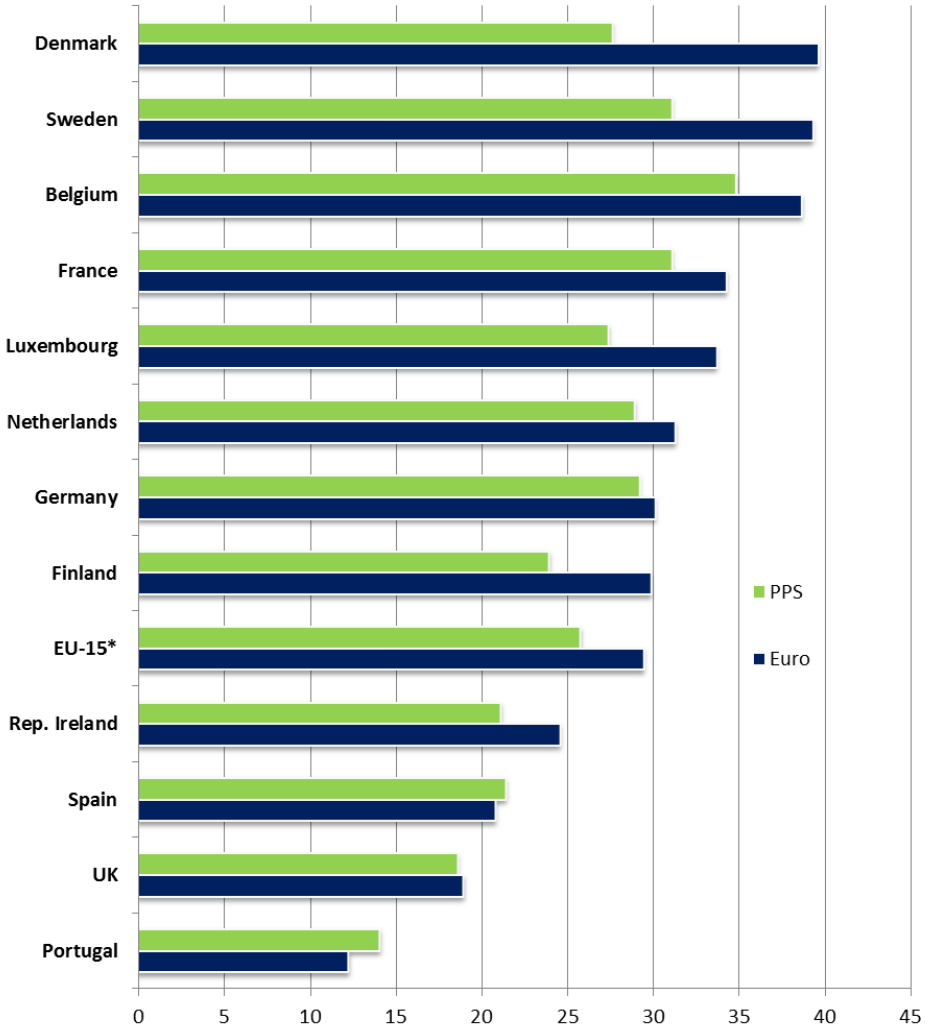
# Indicator 3.1a Cost of Employing Labour across Advanced EU Economies (EU15)

## 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 14 September 2015

## QEF Chart 3.1a Cost of Employing Labour Across Advanced EU Economies (EU15)




**Source:** Eurostat

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

## 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. The data is from the 2011 Structure of Earnings Survey and not been updated since.

## 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]

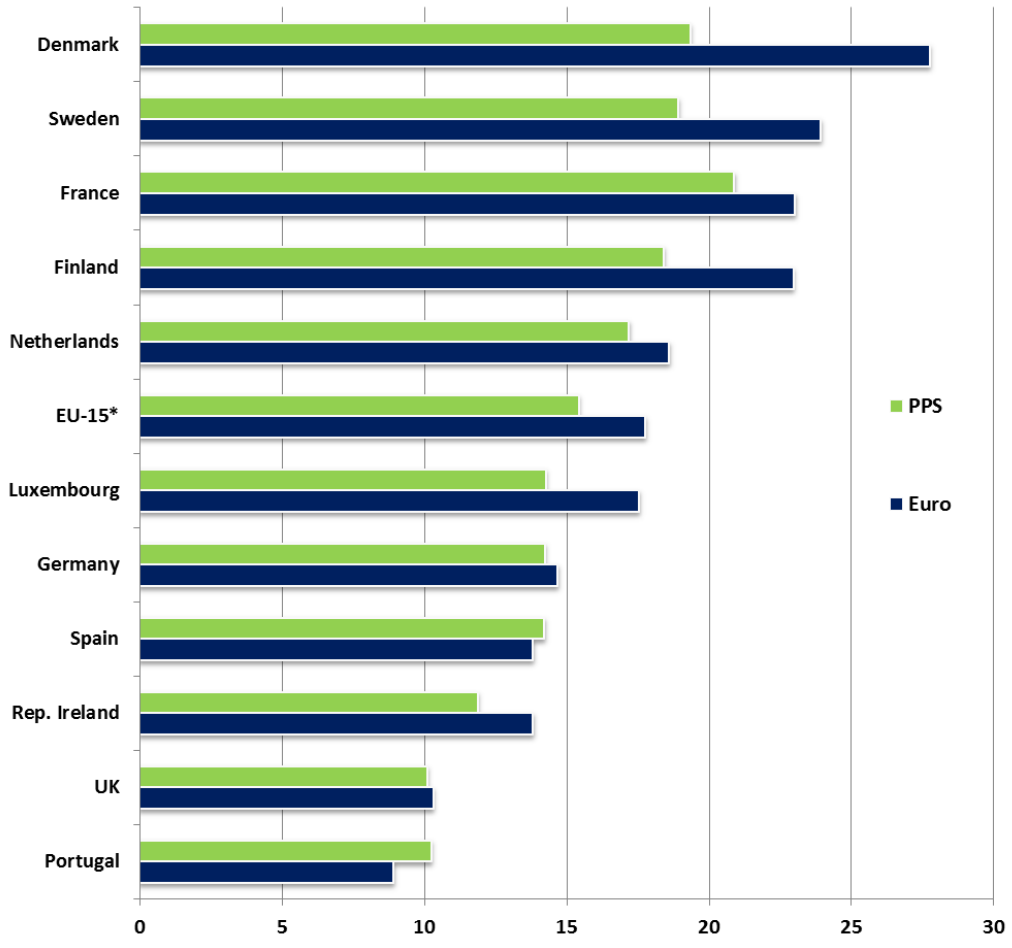
# Indicator 3.1b Cost of Employing Labour in the Accommodation and Food Sectors across Advanced EU Economies (EU15)

## 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 14 September 2015

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




**Source:** Eurostat

**Notes:** *EU-15 refers to 11 countries. Data for 2011 were not available for the following EU15 countries: Belgium, Greece, Italy and Austria

## 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]

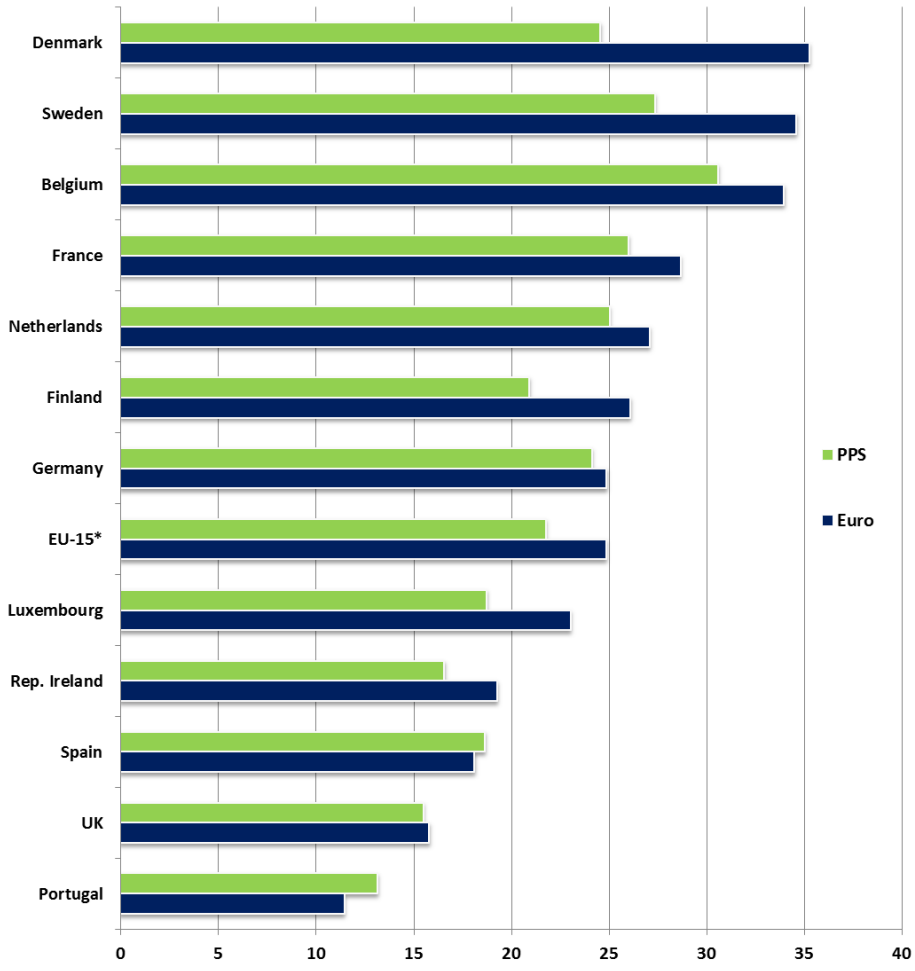
# Indicator 3.1c Cost of Employing Labour in the Wholesale and Retail Trade Sectors across Advanced EU Economies (EU15)

## 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 14 September 2015

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




**Source:** Eurostat

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

## 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]

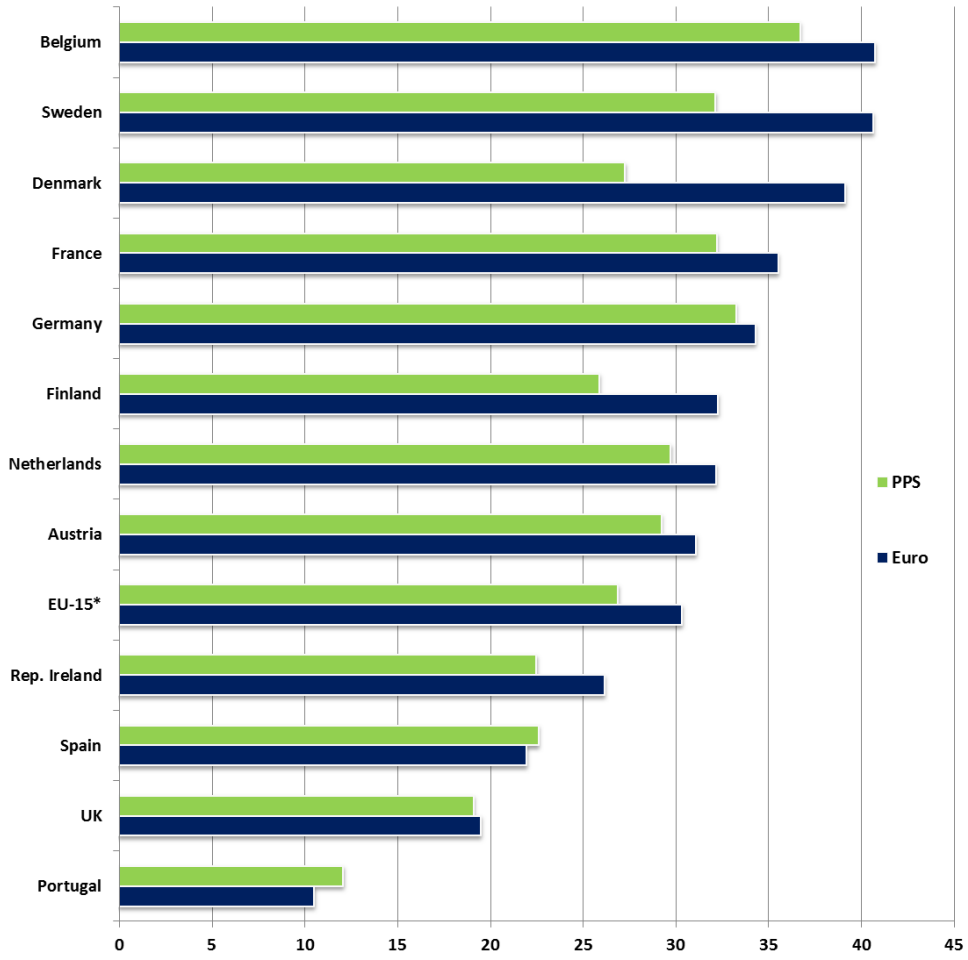
# Indicator 3.1d Cost of Employing Labour in the Manufacturing Sectors across Advanced EU Economies (EU15)

## 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 14 September 2015

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




**Source:** Eurostat

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

## 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]

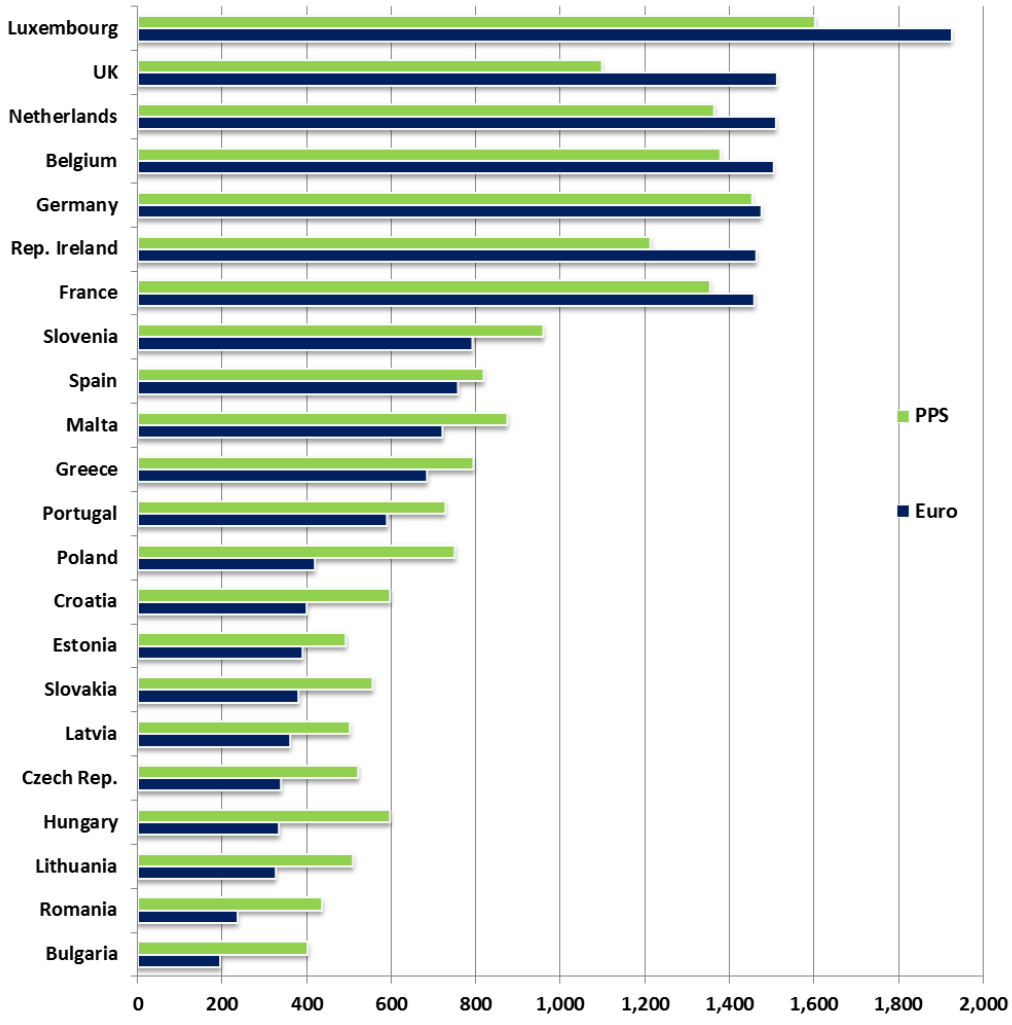
# Indicator 3.2 Comparisons of National Minimum Wage across the EU

## 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 14 September 2015

### QEF Chart 3.2 Comparisons of National Minimum Wage across the EU –€ per month (2015)




**Source:** Eurostat

**Note:** Austria, Cyprus, Denmark, Finland, Italy, and Sweden do not have a statutory national minimum wage.

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

| Country | 2007 | 2015 | Country | 2007 | 2015 |
|---|---|---|---|---|---|
| Belgium | 1,283.00 | 1,501.82 | Luxembourg | 1,570.28 | 1,922.96 |
| Bulgaria | 92.03 | 194.29 | Malta | 601.90 | 720.46 |
| Croatia | n/a | 398.90 | Netherlands | 1,317.00 | 1,507.80 |
| Czech Rep. | 278.57 | 337.58 | Poland | 248.43 | 417.55 |
| Estonia | 230.08 | 390.00 | Portugal | 470.17 | 589.17 |
| France | 1,280.07 | 1,457.52 | **Rep. Ireland** | **1,461.85** | **1,461.85** |
| Germany | n/a | 1,473.00 | Romania | 124.44 | 234.77 |
| Greece | 767.55 | 683.76 | Slovakia | 225.96 | 380.00 |
| Hungary | 266.10 | 333.41 | Slovenia | 521.80 | 790.73 |
| Latvia | 172.34 | 360.00 | Spain | 665.70 | 756.70 |
| Lithuania | 202.73 | 325.00 | UK | 1,310.09 | 1,509.70 |

**Source:** Eurostat online database
**Notes:** Austria, Cyprus, Denmark, Finland, Italy, and Sweden do not have a statutory national minimum wage. Data is for the second half of both years.

## 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 introduced its minimum wage from 1st January 2015.

## Source(s)

Eurostat online database, Minimum wages [code earn_mw_cur]

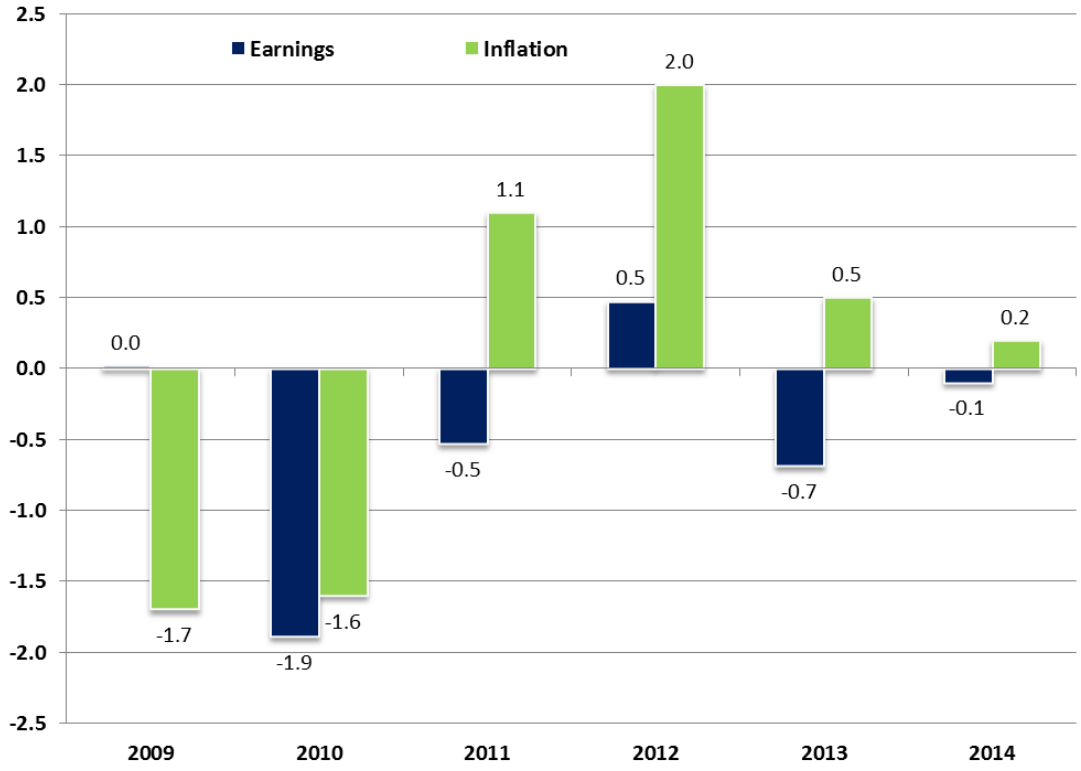
# Indicator 3.3a Trends in Earnings and Prices (Republic of Ireland)

## 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 18 September 2015

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




**Source:** CSO (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 (2015)
**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 inflations 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)

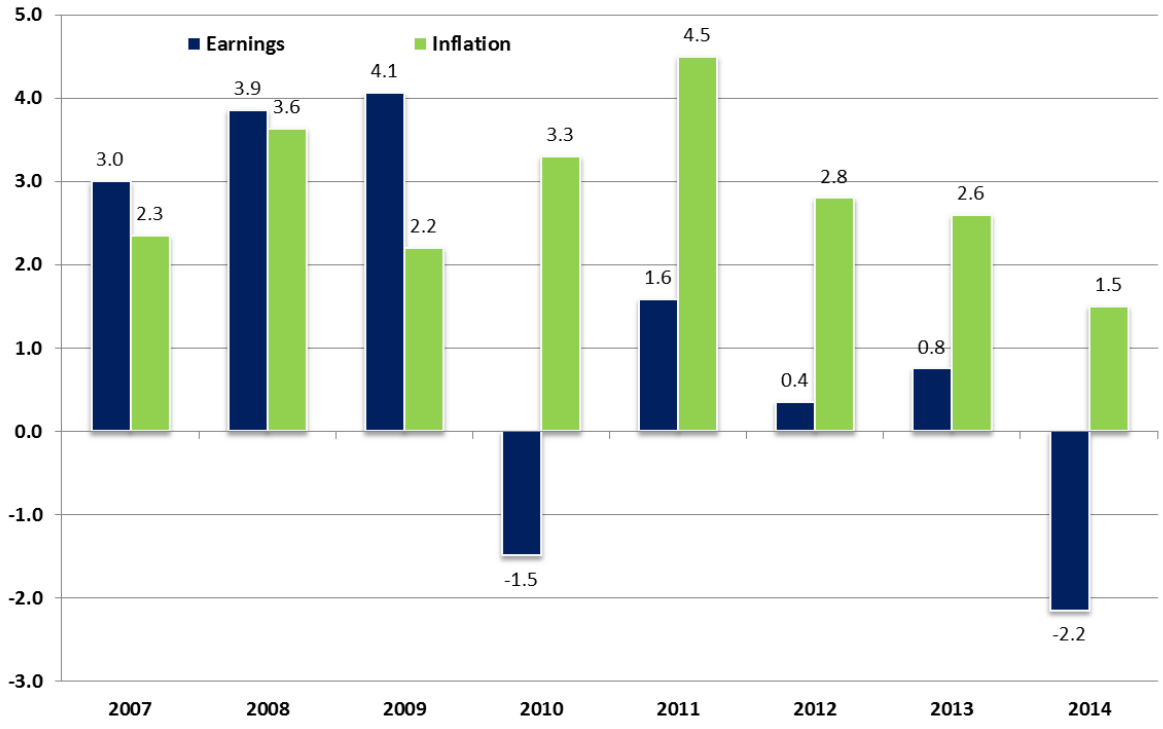
## Indicator defined

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 18 September 2015

NERI Nevin Economic Research Institute
*Research for new economic policies*

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




**Source:** ONS (2015) & NISRA (2014)

## 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

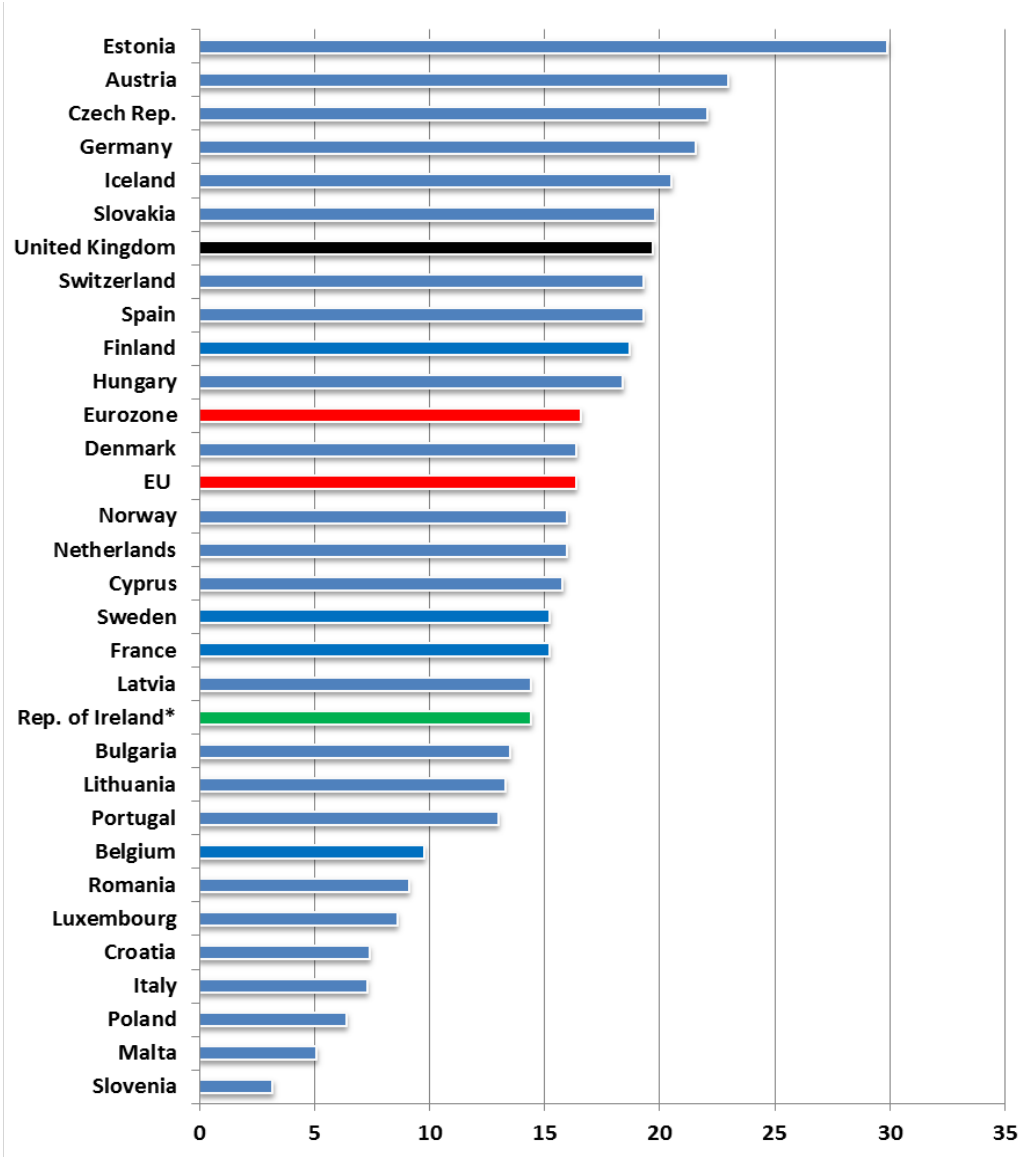
# Indicator 3.4 Gender Pay Gap across the EU

## Indicator defined

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

Data is the latest available as of 18 September 2015

## QEF Chart 3.4 Gender Pay Gap across the EU (2013)




**Source:** Eurostat (2015)
*Rep. of Ireland data refer to 2012

## 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

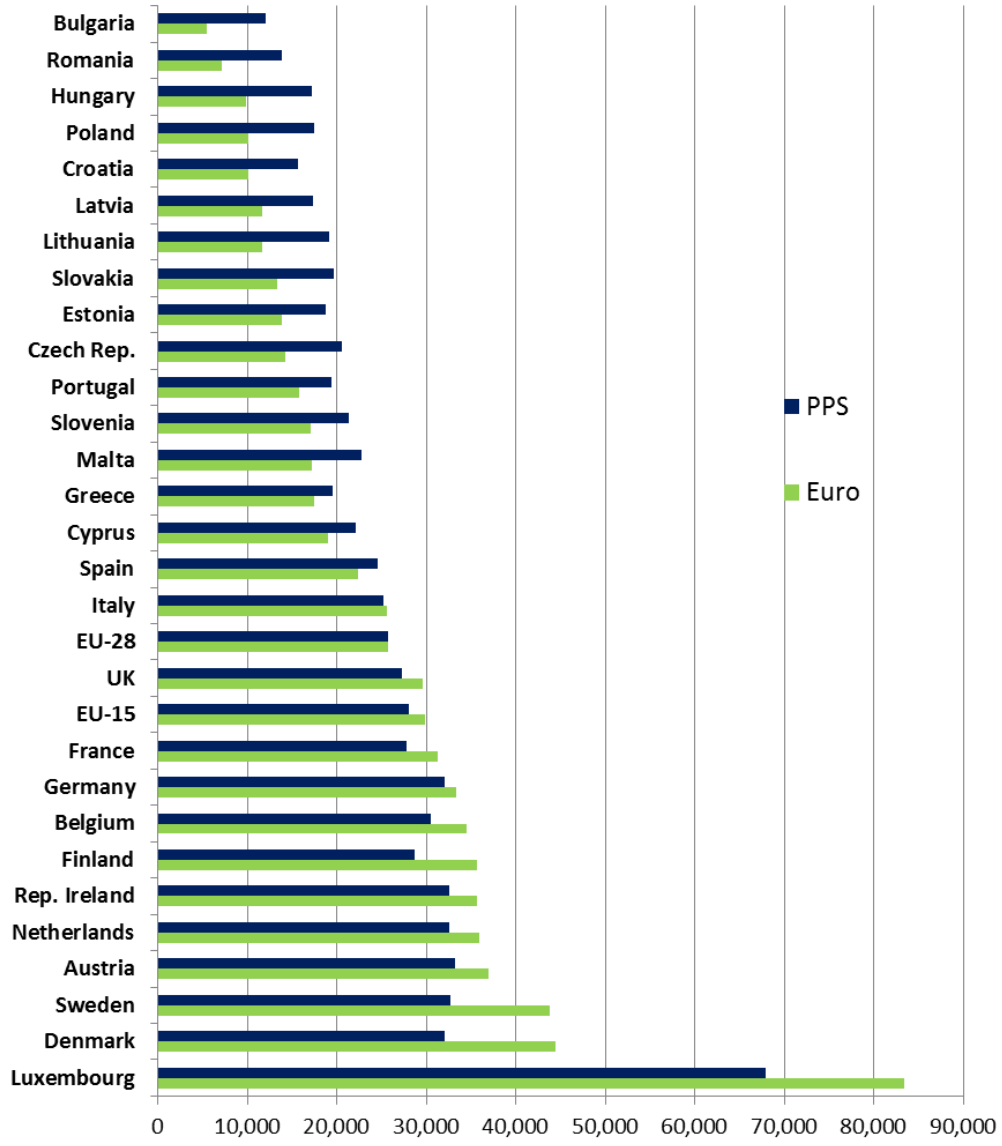
# Indicator 4.1 Income per capita in the EU

## 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 14 September 2015

## QEF Chart 4.1 GDP per capita in the EU, 2013 in € and €PPS terms




**Source:** Eurostat online database

## 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 2012

## 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 €32,115 (ESA 2010 definition). In the UK GDP per capita in 2013 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

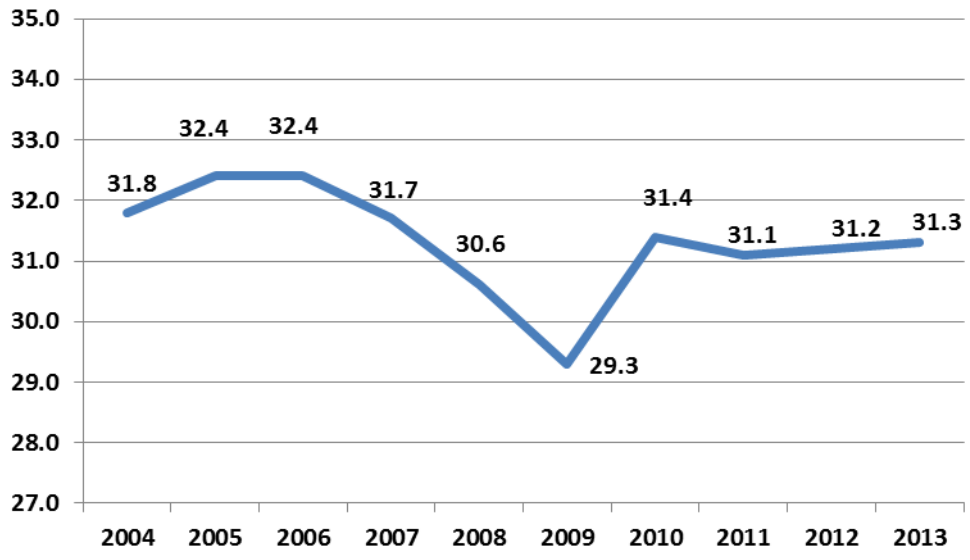
Two measures are used to summarise the income distribution:

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 14 September 2015

## QEF Chart 4.2a (i) Gini coefficient



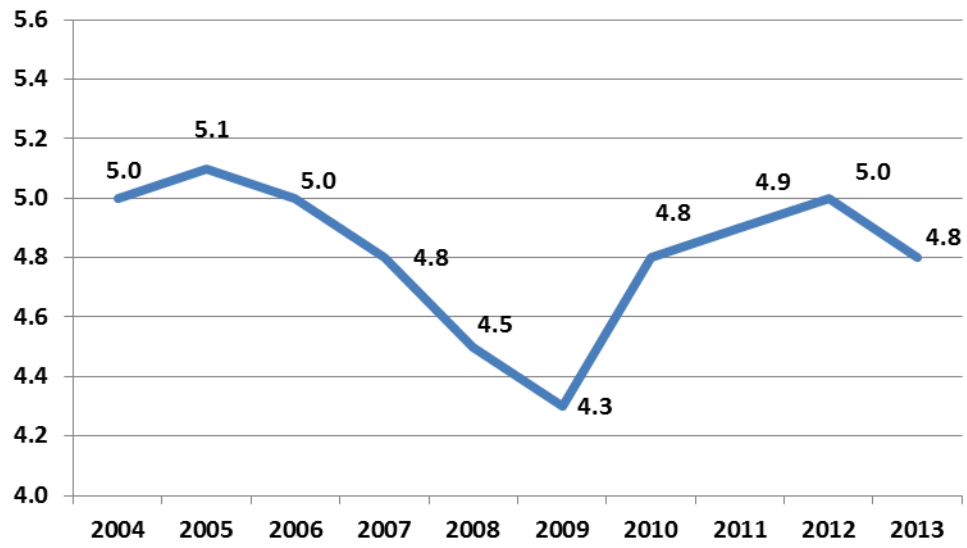

**Source:** CSO (2015)

## 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)

## QEF Chart 4.2a (ii) Income quintile ratio, 2004-2013




**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/

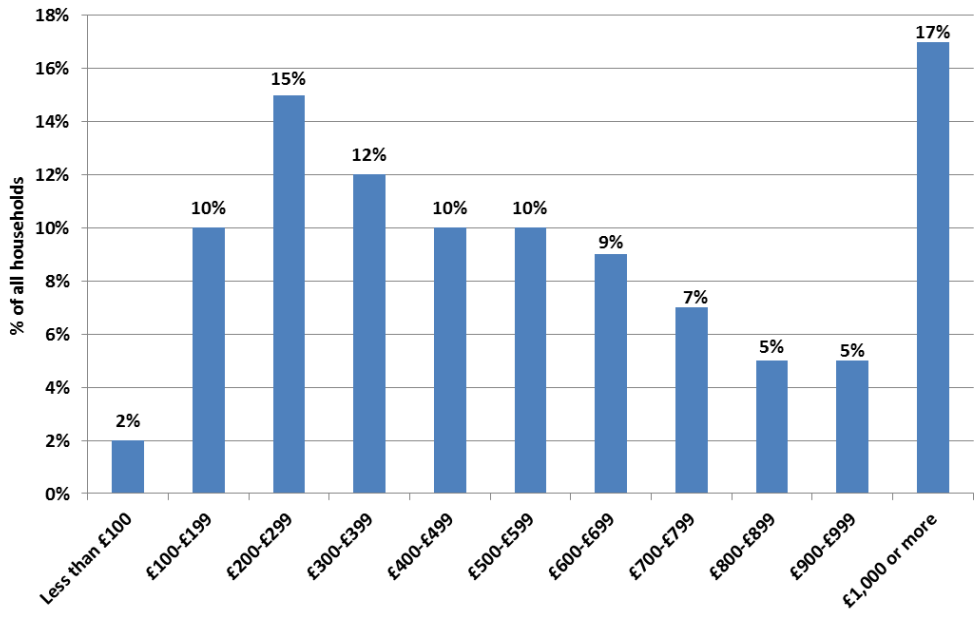
# Indicator 4.2b Income Distribution over Time (Northern Ireland)

## 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 14 September 2015

## QEF Chart 4.2b The Distribution of Total Weekly Income in Northern Ireland by Household Income Range, 2013-14




**Source:** Department for Work and Pensions (2015)

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

| Weekly income range | 2011-12 | 2012-13 | 2013-14 |
|---|---|---|---|
| Less than £100 | 2% | 2% | 2% |
| £100-£199 | 11% | 10% | 10% |
| £200-£299 | 15% | 14% | 15% |
| £300-£399 | 15% | 13% | 12% |
| £400-£499 | 10% | 11% | 10% |
| £500-£599 | 10% | 10% | 10% |
| £600-£699 | 9% | 9% | 9% |
| £700-£799 | 6% | 7% | 7% |
| £800-£899 | 5% | 5% | 5% |
| £900-£999 | 4% | 4% | 5% |
| £1,000 or more | 13% | 14% | 17% |

**Source:** Department for Work and Pensions (2015)
**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 2013-14, the results presented above show that almost half of households (49%) 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 2013-14 survey for Northern Ireland comprises 1,965 households. The sample in 2011-12 was 1,943 and 1,891 in 2012-13.

## Source(s)

Family Resources Survey 2013-14 (published June 2015) and earlier years is available at http://research.dwp.gov.uk/asd/frs/

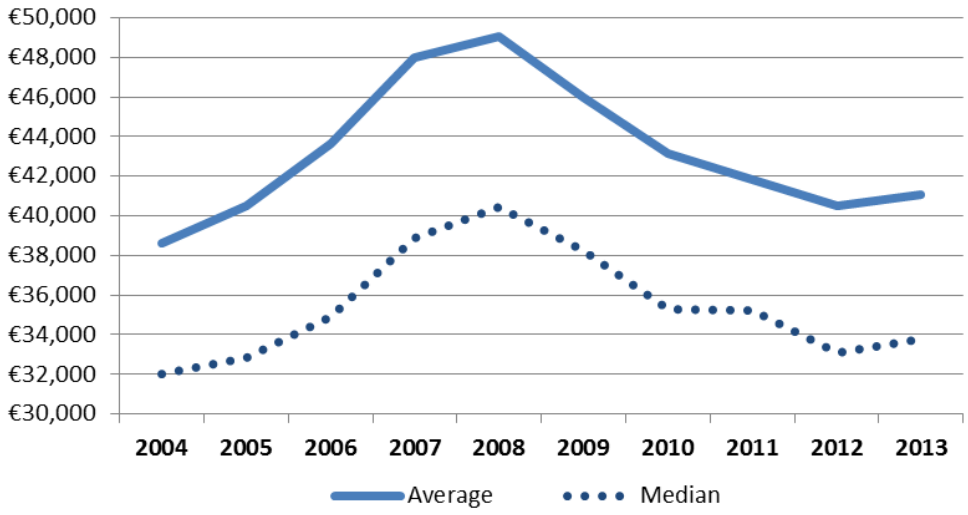
# Indicator 4.3a Average and Median Income over Time and by Gender (Republic of Ireland)

## 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 14 September 2015

## QEF Chart 4.3a (i) Household Disposable Income, 2004-2013



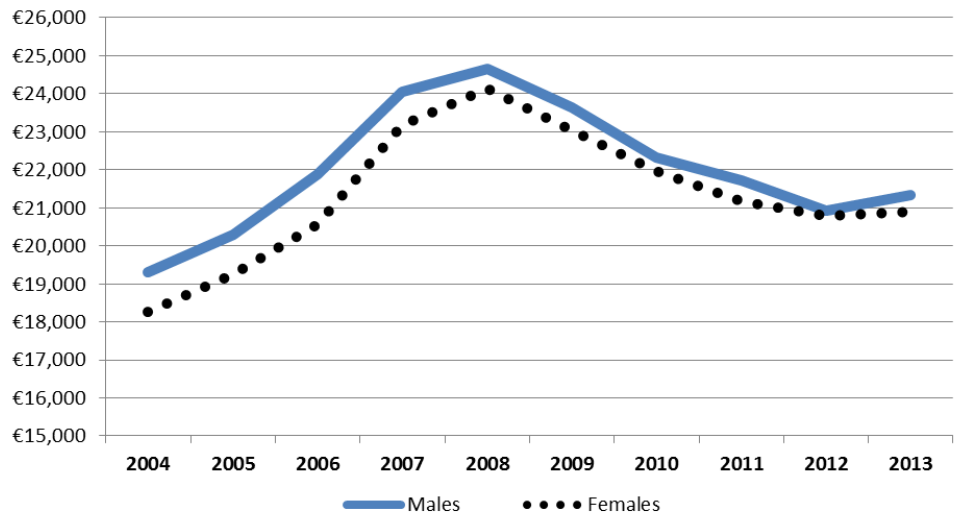

**Source:** CSO

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

| | Household | Individual | | | Individual | | |
|---|---|---|---|---|---|---|---|
| Year | 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

## QEF Chart 4.3a (ii) Average Disposable Income for Males and Females, 2004-2013




**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):

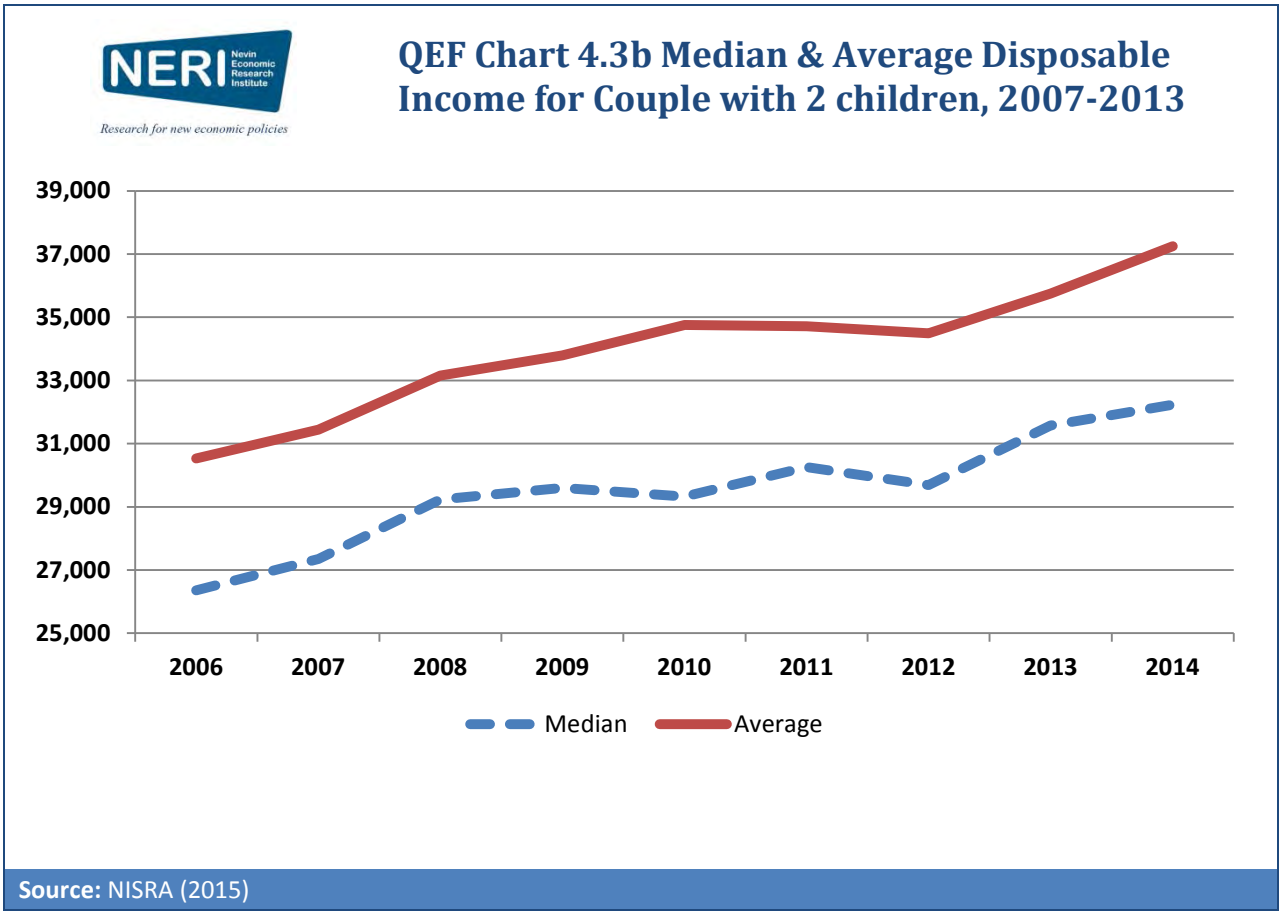
See indicator 4.2a.

# 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 18 September 2015




**Source:** NISRA (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 | 2014 |
|---|---|---|---|---|---|---|---|---|---|
| **Median** | | | | | | | | | |
| Couple No Child | 17,219 | 17,878 | 19,106 | 19,345 | 19,202 | 19,777 | 19,404 | 20,611 | 21,068 |
| Single No Children | 11,532 | 11,978 | 12,801 | 12,961 | 12,836 | 13,250 | 13,001 | 13,828 | 14,116 |
| Couple 2 Children | 26,351 | 27,353 | 29,231 | 29,597 | 29,325 | 30,258 | 29,688 | 31,569 | 32,234 |
| Single 2 Children | 20,663 | 21,454 | 22,927 | 23,214 | 23,011 | 23,732 | 23,285 | 24,733 | 25,282 |
| **Average** | | | | | | | | | |
| Couple No Child | 19,933 | 20,550 | 21,670 | 22,087 | 22,698 | 22,686 | 22,541 | 23,324 | 24,344 |
| Single No Children | 13,358 | 13,768 | 14,519 | 14,798 | 15,237 | 15,200 | 15,102 | 15,654 | 16,310 |
| Couple 2 Children | 30,525 | 31,441 | 33,155 | 33,793 | 34,752 | 34,710 | 34,488 | 35,743 | 37,246 |
| Single 2 Children | 23,951 | 24,660 | 26,004 | 26,505 | 27,238 | 27,223 | 27,049 | 28,021 | 29,213 |

**Source:** NISRA (2015)
**Note:**

## 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.

## Technical Notes

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

## Source(s):

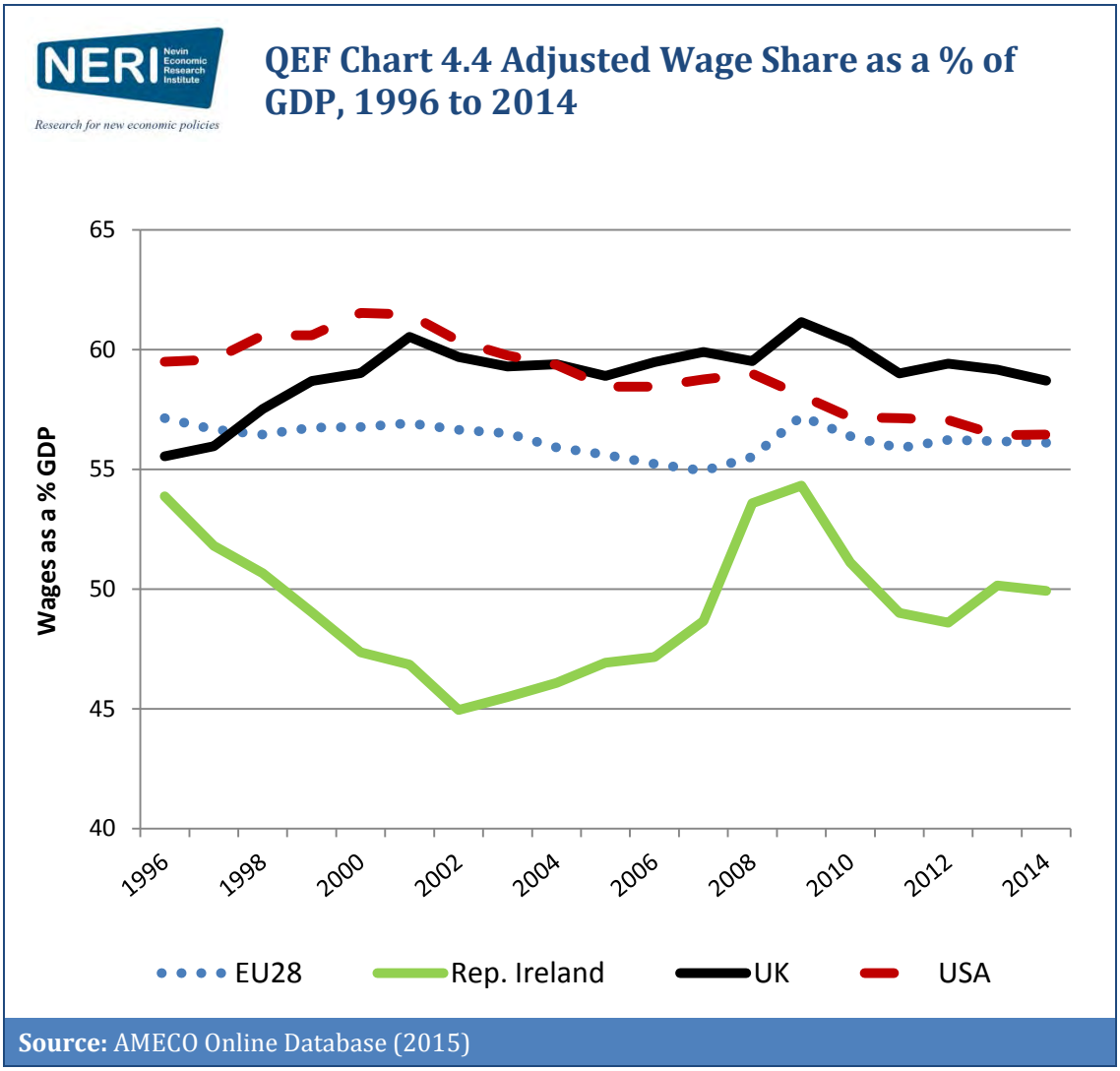
Northern Ireland Statistics and Research Agency (2015) **Households Below Average Income Survey in Northern Ireland**

# 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 at current market prices

Data is the latest available as of 16 September 2015




**Source:** AMECO Online Database (2015)

## QEF Table 4.4 Adjusted Wage Share, % of GDP

| Year | EU | Rep. Ireland | UK | USA |
|---|---|---|---|---|
| **1996** | 57.1 | 53.9 | 55.5 | 59.5 |
| **1997** | 56.7 | 51.8 | 56.0 | 59.6 |
| **1998** | 56.5 | 50.7 | 57.5 | 60.6 |
| **1999** | 56.7 | 49.0 | 58.7 | 60.6 |
| **2000** | 56.8 | 47.4 | 59.0 | 61.5 |
| **2001** | 56.9 | 46.9 | 60.5 | 61.5 |
| **2002** | 56.7 | 45.0 | 59.7 | 60.3 |
| **2003** | 56.5 | 45.5 | 59.3 | 59.8 |
| **2004** | 55.9 | 46.1 | 59.4 | 59.4 |
| **2005** | 55.6 | 46.9 | 58.9 | 58.5 |
| **2006** | 55.2 | 47.2 | 59.5 | 58.4 |
| **2007** | 54.9 | 48.7 | 59.9 | 58.8 |
| **2008** | 55.5 | 53.6 | 59.5 | 59.0 |
| **2009** | 57.2 | 54.3 | 61.2 | 58.1 |
| **2010** | 56.4 | 51.1 | 60.3 | 57.2 |
| **2011** | 55.9 | 49.0 | 59.0 | 57.1 |
| **2012** | 56.2 | 48.6 | 59.4 | 57.1 |
| **2013** | 56.2 | 50.2 | 59.2 | 56.4 |
| **2014** | 56.1 | 50.0 | 58.7 | 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 under 50.0% in 2014. While there have been declines in many EU countries since the mid-1990s it has generally been less pronounced than in Ireland. The wage share increased in the UK between 1996 and 2014.

## 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

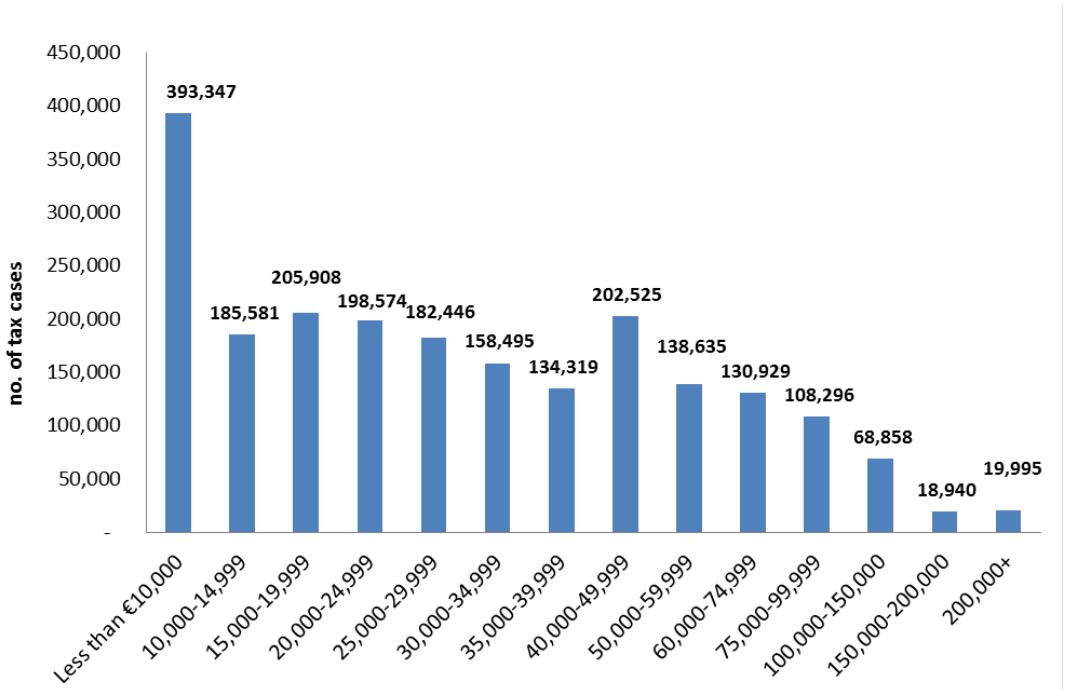
# Indicator 4.5a Distribution of Earnings (Republic of Ireland)

## 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 14 September 2015

## QEF Chart 4.5a Distribution of Tax Cases by income range (2013)




**Source:** CSO and Revenue Commissioners

## QEF Table 4.5a Distribution of Tax Cases by income range (2013)

| From € | To € | No. of cases | % total |
|---|---|---|---|
| - | 10,000 | 393,347 | 18.32% |
| 10,000 | 12,000 | 70,832 | 3.30% |
| 12,000 | 15,000 | 114,749 | 5.34% |
| 15,000 | 17,000 | 80,631 | 3.76% |
| 17,000 | 20,000 | 125,277 | 5.84% |
| 20000 | 25,000 | 198,574 | 9.25% |
| 25,000 | 27,000 | 76,438 | 3.56% |
| 27,000 | 30,000 | 106,008 | 4.94% |
| 30,000 | 35,000 | 158,495 | 7.38% |
| 35,000 | 40,000 | 134,319 | 6.26% |
| 40,000 | 50,000 | 202,525 | 9.43% |
| 50,000 | 60,000 | 138,635 | 6.46% |
| 60,000 | 75,000 | 130,929 | 6.10% |
| 75,000 | 100,000 | 108,296 | 5.04% |
| 100,000 | 150,000 | 68,858 | 3.21% |
| 150,000 | 200,000 | 18,940 | 0.88% |
| 200,000 | 275,000 | 10,043 | 0.47% |
| over | 275,000 | 9,952 | 0.46% |
| **Totals** | | **2,146,848** | **100.00%** |

**Source:** CSO and Revenue Commissioners

## Interpretation

The Revenue Commissioners income tax data for 2013 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 36.5% of tax cases reported a gross income of less than €20,000. The data show that almost 41% of tax cases are in the range from €20,000 to €50,000 per annum. At the top of the distribution, 5% 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 RVA01). 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

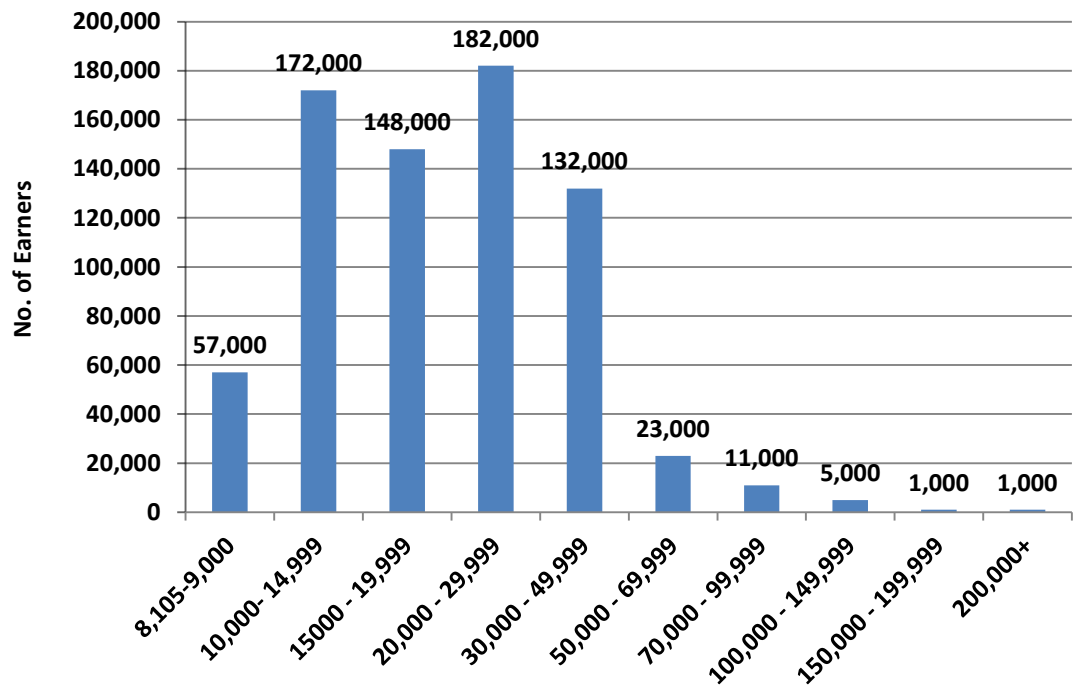
# Indicator 4.5b Distribution of Earnings (Northern Ireland)

## 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 18 September 2015

## QEF Chart 4.5b Distribution of Earners by income range




**Source:** HMRC (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% |
| 15000 - 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).

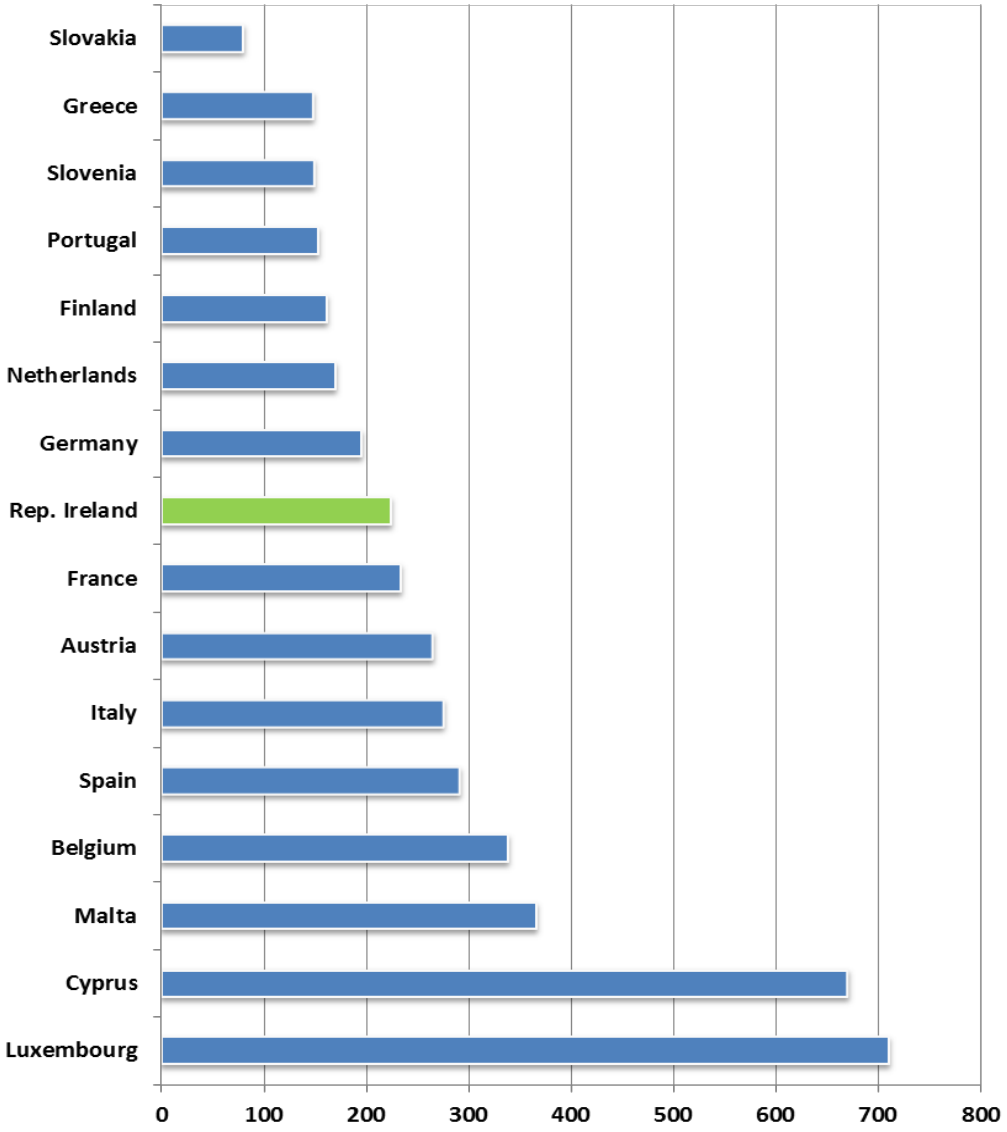
# Indicator 4.6 Net Wealth per Household across Euro Area Countries

## Indicator defined

Net mean household wealth expressed in thousands of Euro

Data is the latest available as of 16 September 2015

### QEF Chart 4.6 Mean Net Wealth per Household, Euro Area Countries, €'000s




**Source:** Eurosystem HFCS (2013), CSO HFCS (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

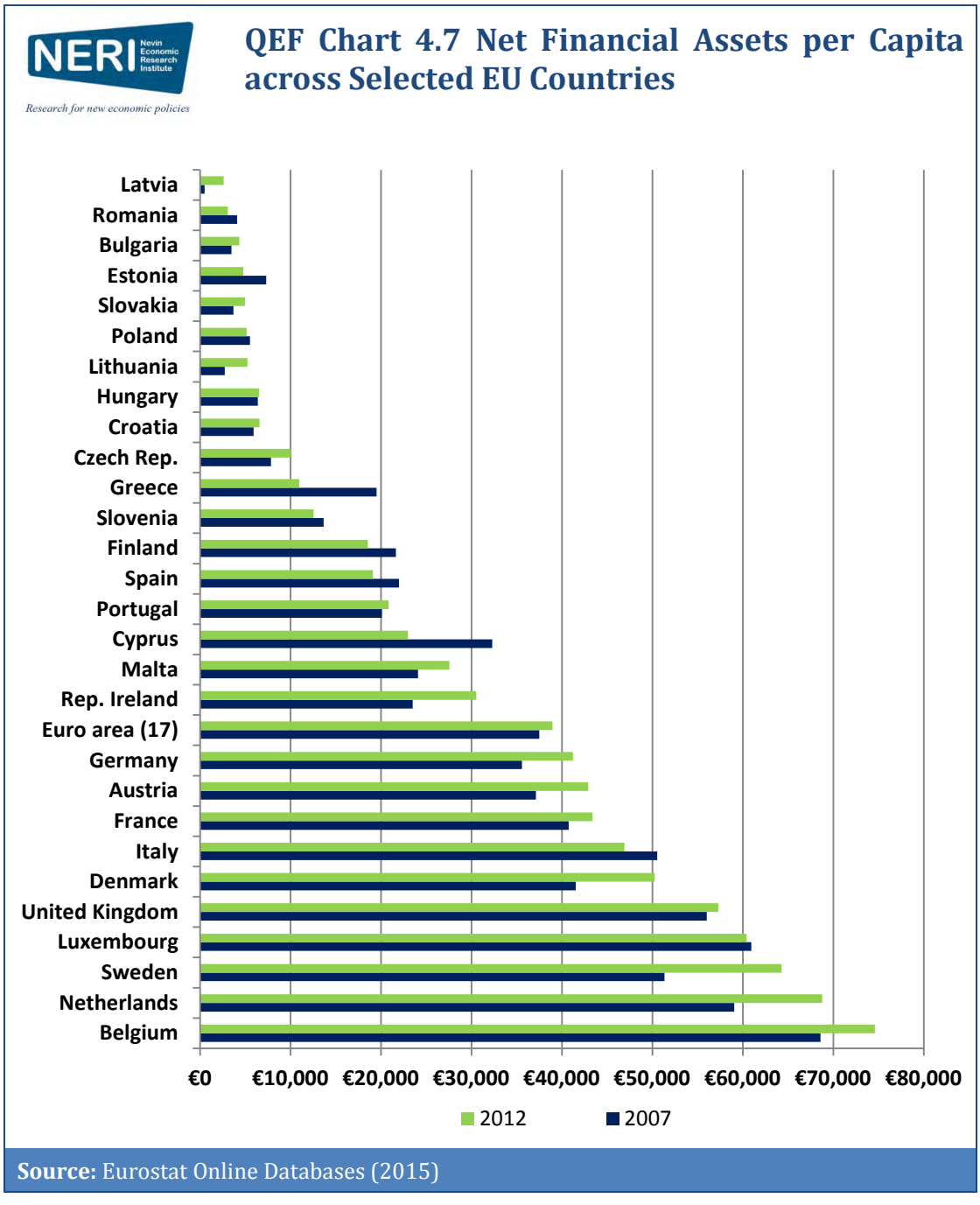
CSO Household Finance and Consumption Survey (2015), Available at: http://www.cso.ie/en/media/csoie/releasespublications/documents/socialconditions/2013/hfcs2013.pdf

# 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 16 September 2015




**Source:** Eurostat Online Databases (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 (2015)

## 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.

## Source(s)

Eurostat online database [nasa_f_bs and demo_pjan]

# 5 Poverty, Social Exclusion and Social Protection

# Indicator 5.1 Poverty and Deprivation (Republic of Ireland)

## Indicators defined

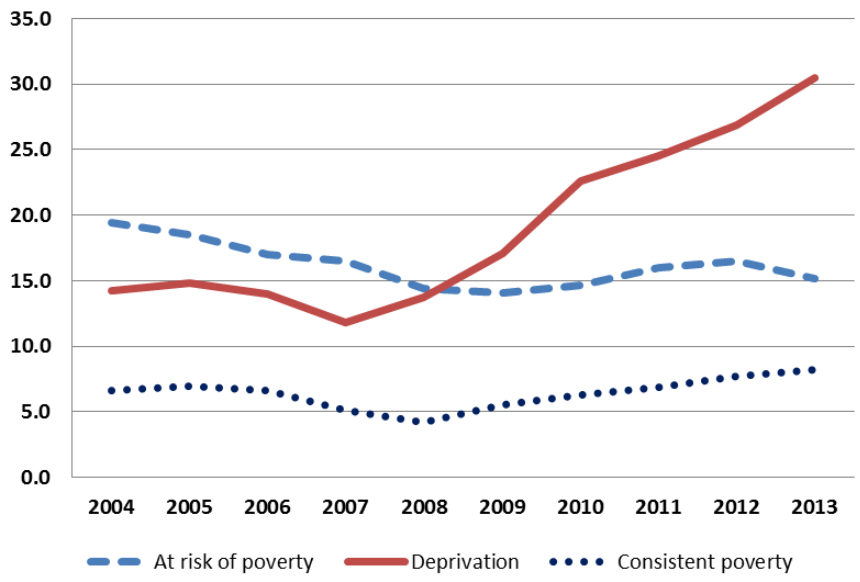
**At risk of poverty rate**: The proportion of individuals with disposable income of less than 60% of median income

**(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 14 September 2015

## QEF Chart 5.1 Trends in poverty and deprivation, 2004-2013 (%)




**Source:** CSO (2015)

## 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/

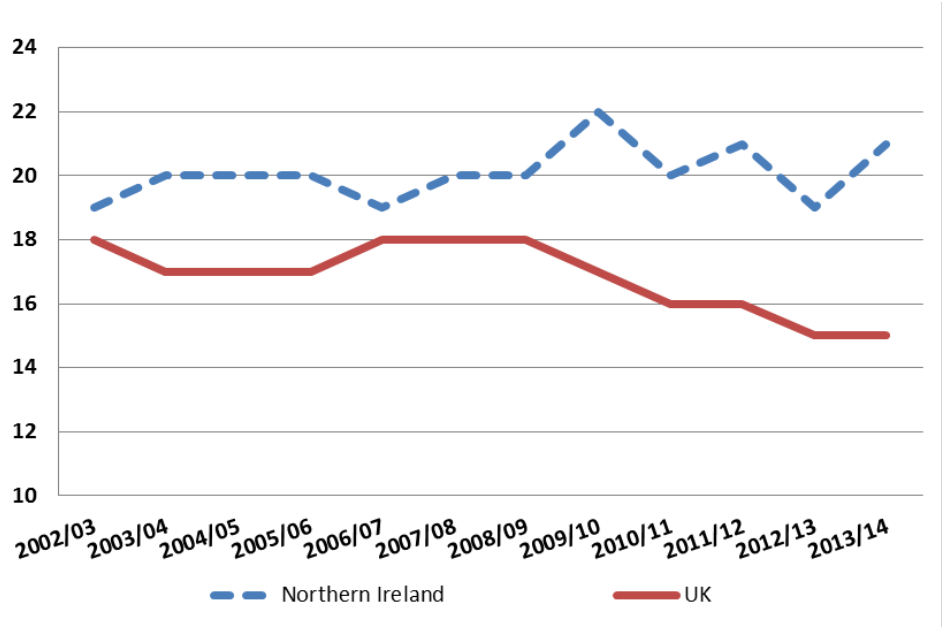
# Indicator 5.2 Poverty in Northern Ireland

## 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 14 September 2015

## QEF Chart 5.2 Trends in poverty in Northern Ireland and the UK, Before Housing Costs (%)




**Sources:** Department of Work and Pensions (2015), DSD (2015)

## QEF Table 5.2 Trends in Poverty in Northern Ireland, 2002-2014

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

**Sources:** Department of Work and Pensions (2015), DSD (2015)

## Interpretation

Using data from the UK Family Resources Survey *Households Below Average Income* dataset, the Northern Ireland Department for Social Development (DSD) provide details on the levels and trends in poverty in Northern Ireland. The data for this indicator is for the period from 2002-2014 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 2014, there were 376,100 people in Northern Ireland living on an income below the poverty line – an increase of 38,000 from 2013. The Northern Ireland rate is approximately five percentage points higher than that for the UK. Within the population, the level of child poverty is high, with almost one in every four children in Northern Ireland living in poverty – the number for 2013/14 is 100,500 children (23%). Among pensioners, one in every five (62,900 in 2013/14) live on an income below the poverty line. One-fifth of all adults of working age in Northern Ireland (212,700) 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 2013/14 the poverty thresholds in Northern Ireland were:

| | Before Housing Costs | After Housing Costs |
|---|---|---|
| Couple – no children | £272 | £232 |
| Single – no children | £182 | £134 |
| Couple with 2 children under 14 years | £416 | £375 |
| Lone parent with 2 children under 14yrs | £326 | £278 |

## Source(s)

Department of Work and Pensions (2015) *Households Below Average Income*. London, HM Stationery Office.

Department for Social Development (2015) *Households Below Average Income Northern Ireland 2013-14*. Belfast, NISRA and DSD.

# Indicator 5.3 In Work-Poverty (Republic of Ireland)

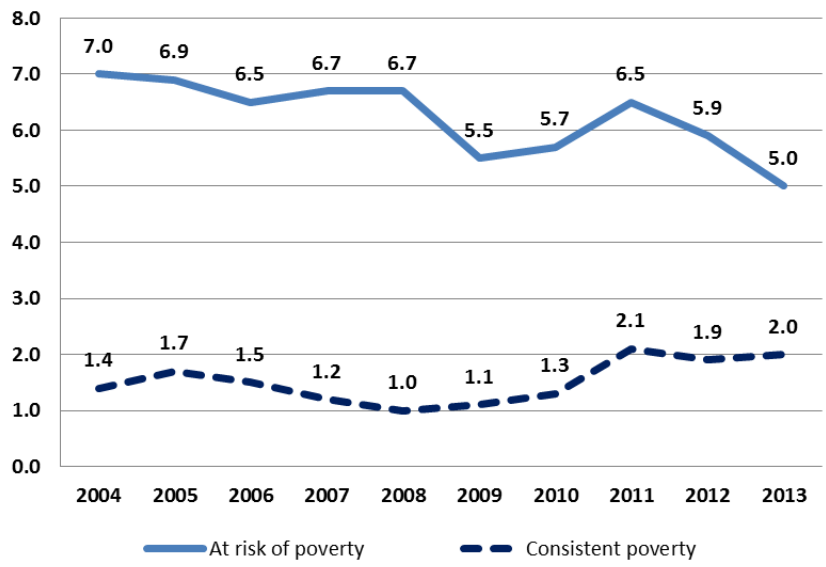
## Indicators defined

**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 14 September 2015

## QEF Chart 5.3(i) In-work Poverty in the ROI, 2004-2013 (%)



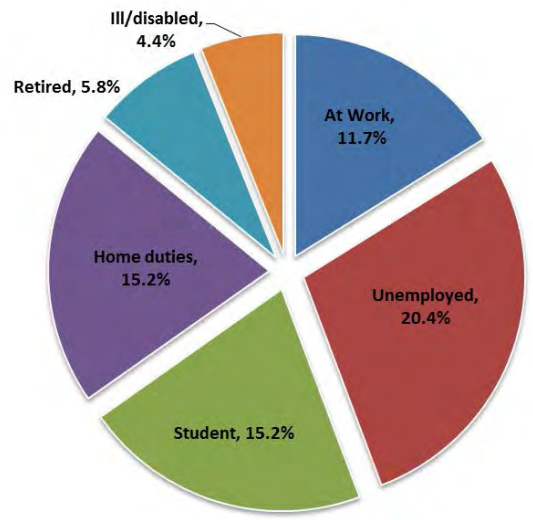

**Source:** CSO (2015)

## QEF Table 5.3 Composition of those at risk of 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)

## QEF Chart 5.3(ii) Composition of those at risk of poverty 2013 (%)




**Source:** CSO (2015)

## Interpretation

Of all those who are at risk of poverty in 2013, the latest data, almost 12% are at work (see table 5.3). This group, often labelled 'the working poor', represent 5% of all workers in the Republic (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 14 September 2015

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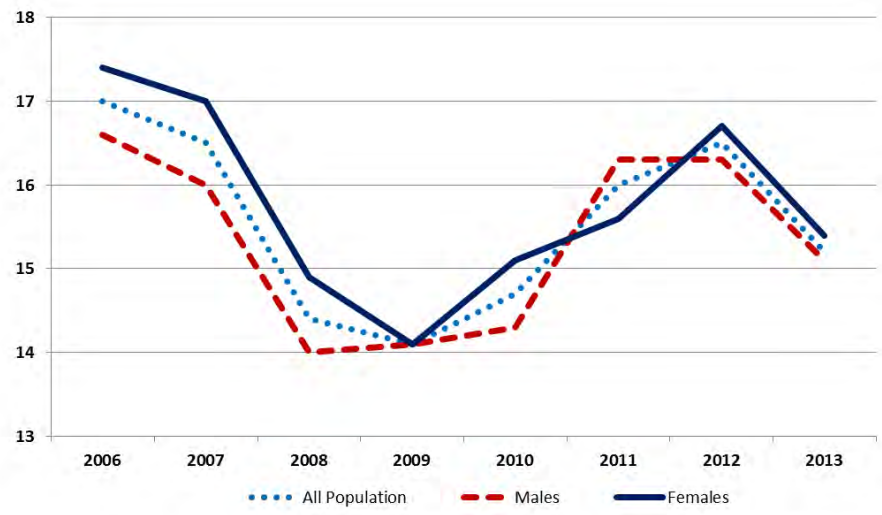
## QEF Chart 5.4(i) Trends in poverty by gender, 2006-2013 (%)




**Source:** CSO (2014)

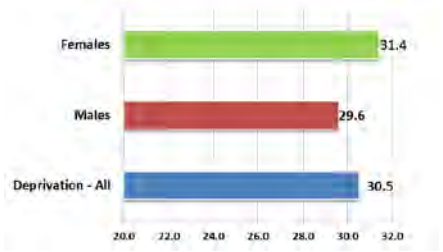
## Interpretation

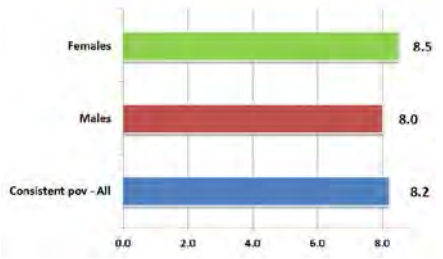
As the tables and charts for this indicator show, females have a marginally higher risk of poverty than males (in 2013) while females experience a higher level of deprivation than males.

## Technical Notes

See indicator 5.1.

## Charts 5.4(ii)/5.4(iii) Deprivation and Consistent Poverty by gender, 2013 (%)




**Source:** CSO (2015)

## 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

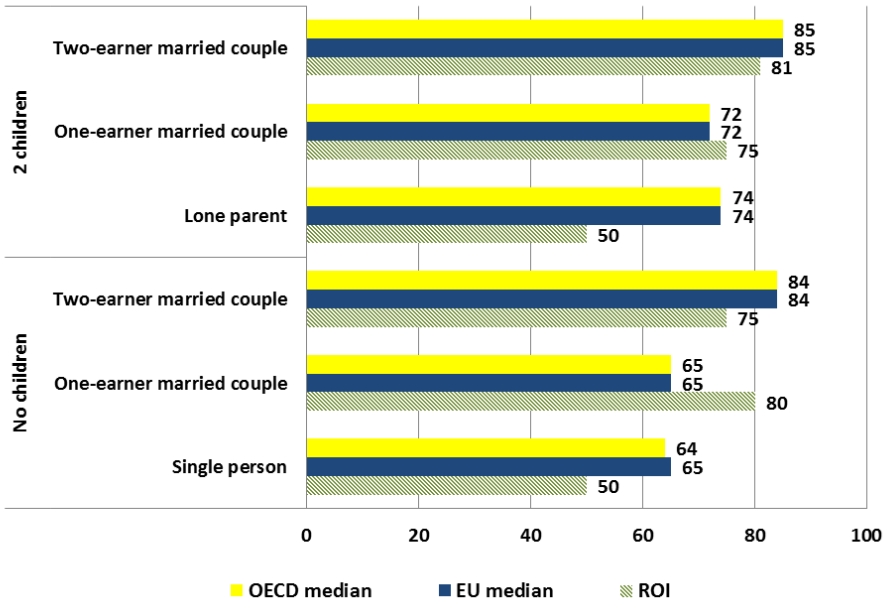
We compare pre and post Unemployment income using **the replacement rate**. It refers to the level of welfare provided immediately after the individual becomes unemployed and calculates this as a proportion of previous after tax or net income. The figures in this assessment are based on an individual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

Data is the latest available as of 14 September 2015

## QEF Table 5.5 Net Replacement Rates for six family types, 2013

| | No children | | | 2 children | | |
|---|---|---|---|---|---|---|
| **OECD countries** | **Single person** | **One-earner couple** | **Two-earner couple** | **Lone parent** | **One-earner couple** | **Two-earner couple** |
| Australia | 31 | 56 | 50 | 59 | 66 | 64 |
| Austria | 55 | 57 | 80 | 71 | 72 | 85 |
| Belgium | 90 | 83 | 84 | 95 | 82 | 85 |
| Canada | 64 | 65 | 81 | 77 | 77 | 84 |
| Chile | 56 | 56 | 78 | 63 | 63 | 78 |
| Czech Rep. | 65 | 65 | 87 | 67 | 67 | 88 |
| Denmark | 84 | 85 | 92 | 89 | 87 | 92 |
| Estonia | 55 | 57 | 77 | 65 | 62 | 79 |
| Finland | 59 | 59 | 80 | 74 | 69 | 84 |
| France | 69 | 65 | 84 | 71 | 68 | 84 |
| Germany | 59 | 59 | 86 | 81 | 83 | 90 |
| Greece | 39 | 40 | 68 | 46 | 46 | 70 |
| Hungary | 68 | 68 | 84 | 76 | 76 | 87 |
| Iceland | 76 | 79 | 88 | 82 | 81 | 90 |
| **Rep. Ireland** | **50** | **80** | **75** | **50** | **75** | **81** |
| Israel | 89 | 89 | 95 | 88 | 90 | 93 |
| Italy | 72 | 76 | 86 | 81 | 78 | 88 |
| Japan | 70 | 69 | 86 | 75 | 71 | 87 |
| Korea | 55 | 55 | 78 | 61 | 55 | 78 |
| Luxembourg | 83 | 81 | 90 | 90 | 89 | 93 |
| Netherlands | 76 | 77 | 84 | 67 | 81 | 77 |
| New Zealand | 35 | 59 | 50 | 57 | 63 | 65 |
| Norway | 68 | 69 | 84 | 79 | 73 | 86 |
| Poland | 49 | 50 | 75 | 80 | 56 | 76 |
| Portugal | 75 | 75 | 93 | 79 | 78 | 94 |
| Slovak Rep. | 62 | 58 | 85 | 72 | 57 | 86 |
| Slovenia | 86 | 83 | 93 | 85 | 88 | 96 |
| Spain | 78 | 75 | 89 | 76 | 74 | 88 |
| Sweden | 63 | 63 | 81 | 71 | 67 | 83 |
| Switzerland | 74 | 71 | 85 | 85 | 85 | 91 |
| Turkey | 53 | 52 | 79 | 52 | 51 | 79 |
| UK | 20 | 31 | 60 | 47 | 56 | 67 |
| USA | 61 | 60 | 81 | 54 | 51 | 83 |
| **OECD Median** | **64** | **65** | **84** | **74** | **72** | **85** |
| **EU Median** | **65** | **65** | **84** | **74** | **72** | **85** |

## QEF Chart 5.5 Net Replacement Rates for six family types in initial phase of unemployment, 2013




**Source:** OECD (2015)

## 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 sixth lowest replacement rate for single unemployed people with no children within the OECD (50%), only the UK, Australia, New Zealand, Greece and Poland possess 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 2013, since then changes to welfare rates, taxation structures and average earnings will have altered these rates.

## Source

OECD Tax-Benefit Calculator: http://www.oecd.org/els/benefits-and-wages-statistics.htm

# Indicator 5.6 Unemployment Traps across OECD countries

## Indicator defined

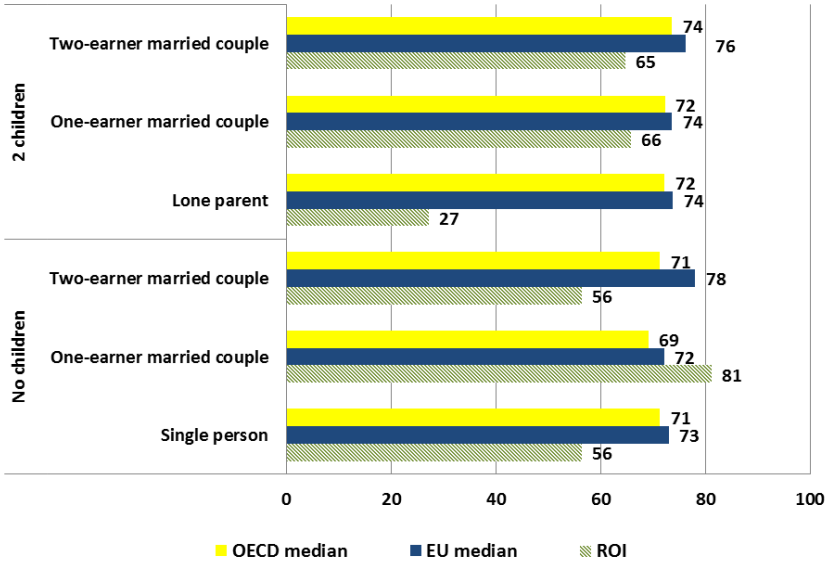
We use participation tax rates to measure the extent to which taxes and benefits reduce the financial gain of moving into work. High participation tax rates reduce the attractiveness of labour market participation and may serve to trap individuals or households in unemployment. The figures in this assessment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

Data is the latest available as of 14 September 2015

## QEF Table 5.6 Participation Tax Rates for six family types, 2013

| | No children | | | 2 children | | |
|---|---|---|---|---|---|---|
| **OECD countries** | **Single person** | **One-earner married couple** | **Two-earner married couple** | **Lone parent** | **One-earner married couple** | **Two-earner married couple** |
| Australia | 43 | 64 | 17 | 55 | 63 | 39 |
| Austria | 68 | 69 | 71 | 74 | 75 | 76 |
| Belgium | 93 | 87 | 79 | 93 | 84 | 79 |
| Canada | 70 | 68 | 70 | 72 | 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 | 67 | 63 | 64 |
| Finland | 69 | 69 | 69 | 74 | 74 | 74 |
| France | 77 | 72 | 76 | 72 | 72 | 75 |
| Germany | 73 | 69 | 82 | 84 | 84 | 86 |
| Greece | 51 | 48 | 45 | 54 | 50 | 45 |
| Hungary | 79 | 79 | 79 | 77 | 77 | 79 |
| Iceland | 83 | 82 | 83 | 84 | 82 | 84 |
| **Rep. Ireland** | **56** | **81** | **56** | **27** | **66** | **65** |
| Israel | 91 | 91 | 91 | 88 | 91 | 88 |
| Italy | 80 | 81 | 80 | 82 | 78 | 82 |
| Japan | 46 | 44 | 48 | 46 | 44 | 48 |
| Korea | 31 | 31 | 31 | 36 | 30 | 31 |
| Luxembourg | 87 | 84 | 83 | 89 | 88 | 86 |
| Netherlands | 84 | 84 | 78 | 68 | 85 | 65 |
| New Zealand | 45 | 65 | 15 | 51 | 58 | 37 |
| Norway | 76 | 76 | 76 | 80 | 77 | 77 |
| Poland | 63 | 63 | 63 | 84 | 62 | 63 |
| Portugal | 80 | 79 | 90 | 80 | 79 | 89 |
| Slovak Rep. | 44 | 38 | 50 | 37 | 31 | 50 |
| Slovenia | 90 | 88 | 90 | 84 | 88 | 93 |
| Spain | 82 | 78 | 82 | 78 | 76 | 80 |
| Sweden | 71 | 71 | 71 | 71 | 71 | 71 |
| Switzerland | 81 | 80 | 79 | 87 | 88 | 86 |
| Turkey | 64 | 63 | 69 | 63 | 62 | 69 |
| UK | 36 | 45 | 36 | 46 | 55 | 45 |
| USA | 69 | 67 | 71 | 55 | 49 | 72 |
| **OECD Median** | **71** | **69** | **71** | **72** | **72** | **74** |
| **EU Median** | **73** | **72** | **78** | **74** | **74** | **76** |

## QEF Chart 5.6 Participation Tax Rates for six family types, 2013




**Source:** OECD (2015)

## 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 rates 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% (Belgium single person, Belgium Lone Parent and 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: http://www.oecd.org/els/benefits-and-wages-statistics.htm

# 6 Public Finances

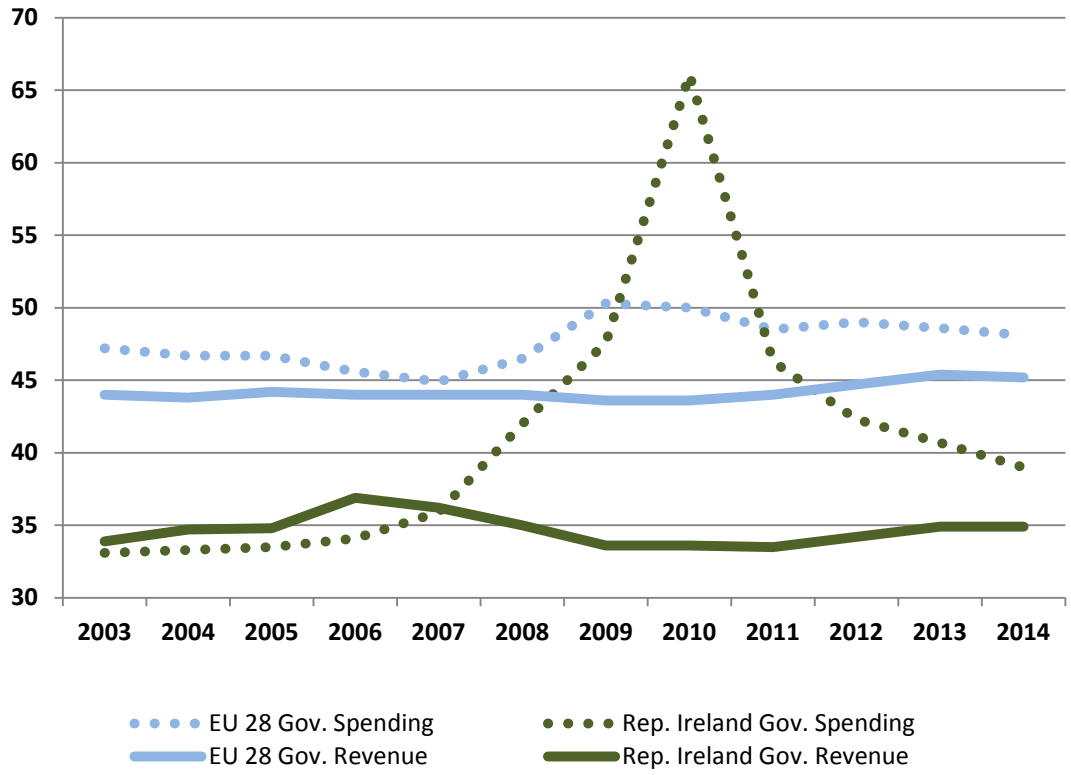
# Indicator 6.1 Trends in General Government Expenditure and Revenue, EU and ROI

## Indicator defined

Total General Government Expenditure and Revenue as a percentage of GDP

Data is the latest available as of 16 September 2015

### QEF Chart 6.1 General Government Expenditure and Revenue, % GDP, EU and Rep. Ireland, 2003 to 2014




**Source:** Eurostat Government Statistics (2015)

## QEF Table 6.1 General Government Expenditure and Revenue, % GDP, EU and Rep. Ireland, 2003 to 2014

| Year | EU 28 Expenditure | Rep. Ireland Expenditure | EU 28 Revenue | Rep. Ireland Revenue |
|---|---|---|---|---|
| **2003** | 47.2 | 33.1 | 44.0 | 33.9 |
| **2004** | 46.7 | 33.3 | 43.8 | 34.7 |
| **2005** | 46.7 | 33.5 | 44.2 | 34.8 |
| **2006** | 45.6 | 34.1 | 44.0 | 36.9 |
| **2007** | 44.9 | 35.9 | 44.0 | 36.2 |
| **2008** | 46.5 | 42.0 | 44.0 | 35.0 |
| **2009** | 50.3 | 47.6 | 43.6 | 33.6 |
| **2010** | 50.0 | 66.1 | 43.6 | 33.6 |
| **2011** | 48.5 | 46.3 | 44.0 | 33.5 |
| **2012** | 49.0 | 42.3 | 44.7 | 34.2 |
| **2013** | 48.6 | 40.7 | 45.4 | 34.9 |
| **2014** | 48.1 | 39.0 | 45.2 | 34.9 |

**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.

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 when measured as a percentage of GDP.

## 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 (t_gov_a)

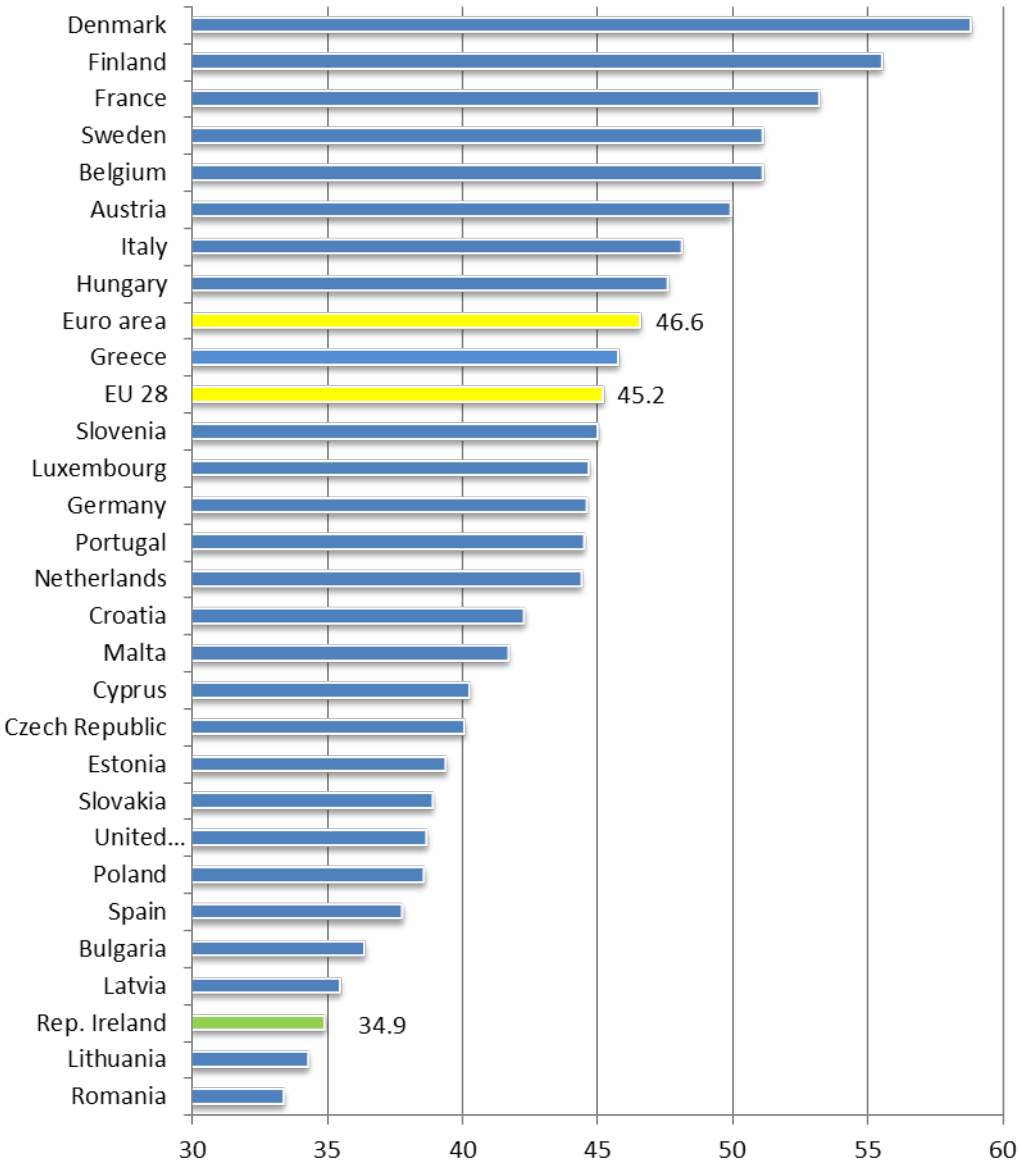
# Indicator 6.2 Government Revenue as % of GDP, EU member states, 2014

## Indicator defined

Total General Government Revenue as % of GDP

Data is the latest available as of 16 September 2015

### QEF Chart 6.2 General Government Revenue as % GDP, EU and Rep. Ireland, 2014




**Source:** Eurostat Government Statistics (2015)

## QEF Table 6.2 Government Revenue as a % of GDP, 2014

| Country | % | Country | % |
|---|---|---|---|
| Romania | 33.4 | Portugal | 44.5 |
| Lithuania | 34.3 | Germany | 44.6 |
| **Rep. Ireland** | **34.9** | Luxembourg | 44.7 |
| Latvia | 35.5 | Slovenia | 45.0 |
| Bulgaria | 36.4 | **EU 28** | **45.2** |
| Spain | 37.8 | Greece | 45.8 |
| Poland | 38.6 | **Euro area** | **46.6** |
| United Kingdom | 38.7 | Hungary | 47.6 |
| Slovakia | 38.9 | Italy | 48.1 |
| Estonia | 39.4 | Austria | 49.9 |
| Czech Republic | 40.1 | Belgium | 51.1 |
| Cyprus | 40.3 | Sweden | 51.1 |
| Malta | 41.7 | France | 53.2 |
| Croatia | 42.3 | Finland | 55.5 |
| Netherlands | 44.4 | Denmark | 58.8 |

**Source:** Eurostat Government Statistics (2015)

## Interpretation

Measured as a percentage of GDP the Republic of Ireland had third lowest level of government revenue in the European Union in 2014. Irish government revenue in 2014 was 10.3 percentage points below the EU 28 average and 11.7 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 (t_gov_a)

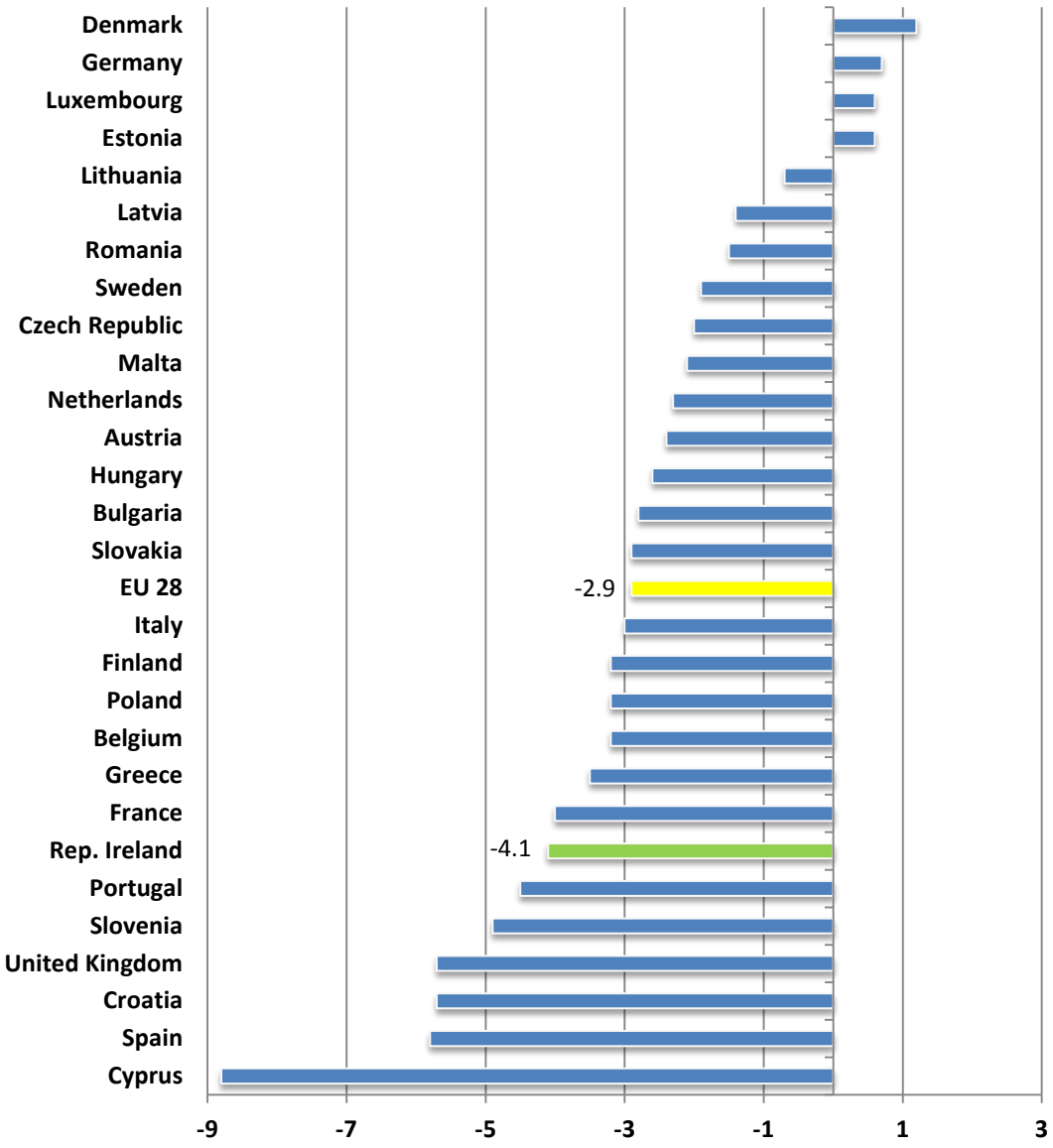
# Indicator 6.3a General Government Deficit as % of GDP, EU member states, 2014

## Indicator defined

Total General Government Deficit as % of GDP

Data is the latest available as of 16 September 2015

### QEF Chart 6.3a General Government Deficit as a % of GDP, 2014




**Source:** Eurostat Government Statistics (2015)

## QEF Table 6.3a General Government Deficit as % of GDP, 2014

| Country | % | Country | % |
|---|---|---|---|
| Cyprus | -8.8 | Bulgaria | -2.8 |
| Spain | -5.8 | Hungary | -2.6 |
| Croatia | -5.7 | Austria | -2.4 |
| United Kingdom | -5.7 | Netherlands | -2.3 |
| Slovenia | -4.9 | Malta | -2.1 |
| Portugal | -4.5 | Czech Republic | -2.0 |
| **Rep. Ireland** | **-4.1** | Sweden | -1.9 |
| France | -4.0 | Romania | -1.5 |
| Greece | -3.5 | Latvia | -1.4 |
| Belgium | -3.2 | Lithuania | -0.7 |
| Poland | -3.2 | Estonia | 0.6 |
| Finland | -3.2 | Luxembourg | 0.6 |
| Italy | -3.0 | Germany | 0.7 |
| **EU 28** | **-2.9** | Denmark | 1.2 |
| Slovakia | -2.9 | | |

**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 2014 shows that 12 out of 28 member states were in excess of this figure. In the case of the Republic of Ireland, in 2014, the 'headline' government deficit was estimated to be 4.1%. This was the seventh 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** (t_gov_dd)

# Indicator 6.3b Commission Estimated Structural Balances, % of potential GDP, EU member states, 2014

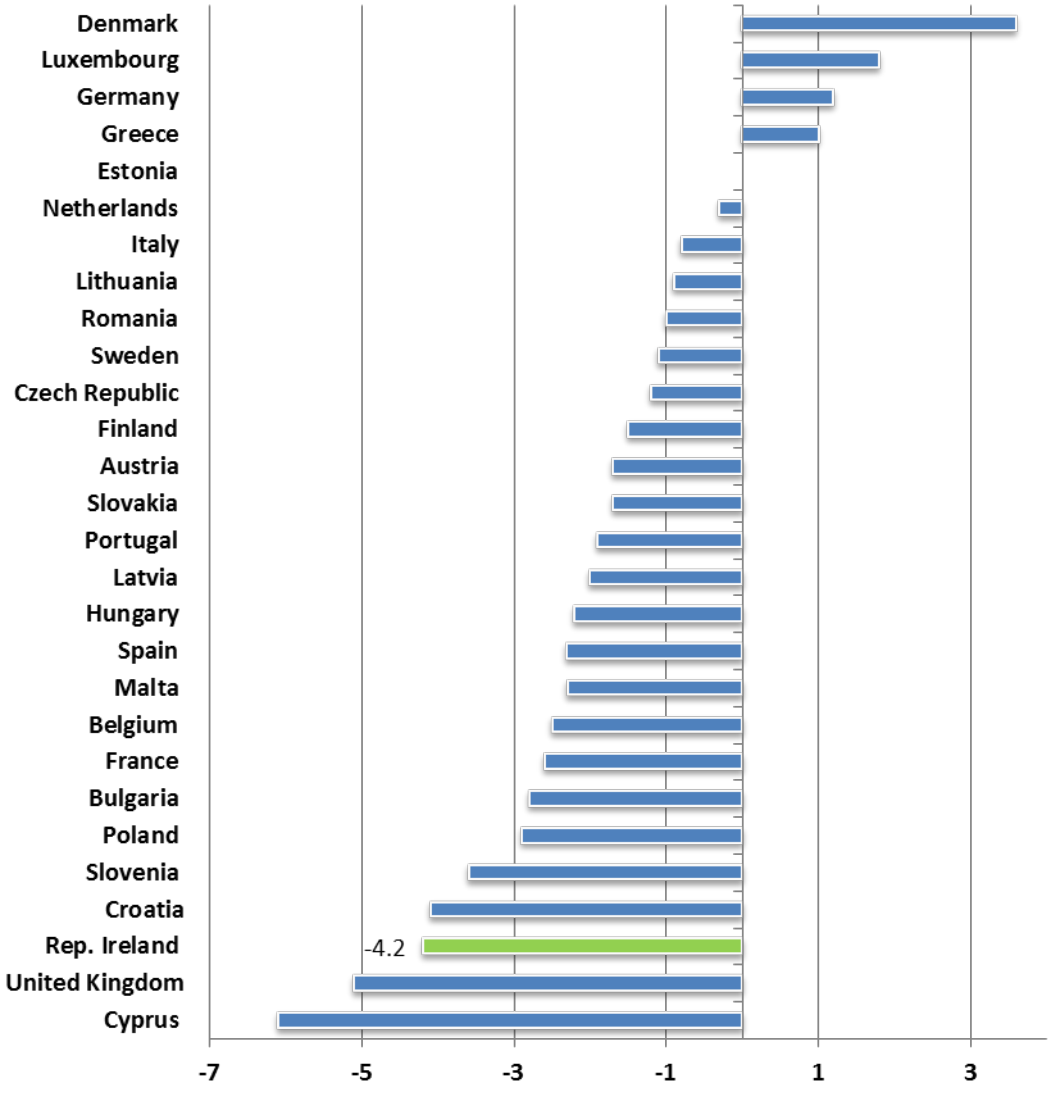
## Indicator defined

Total General Government Structural Deficit as % of GDP

Data is the latest available as of 16 September 2015

NERI Nevin Economic Research Institute
*Research for new economic policies*

### QEF Chart 6.3b General Government Structural Deficit, % of GDP, 2014 (Commission Estimate)




**Source:** Eurostat Commission (2015)

## QEF Table 6.3b Commission Estimated Structural Balances, % of potential GDP, 2014

| Country | % | Country | % |
|---|---|---|---|
| Cyprus | -6.1 | Slovakia | -1.7 |
| United Kingdom | -5.1 | Austria | -1.7 |
| **Rep. Ireland** | **-4.2** | Finland | -1.5 |
| Croatia | -4.1 | Czech Republic | -1.2 |
| Slovenia | -3.6 | Sweden | -1.1 |
| Poland | -2.9 | Romania | -1.0 |
| Bulgaria | -2.8 | Lithuania | -0.9 |
| France | -2.6 | Italy | -0.8 |
| Belgium | -2.5 | Netherlands | -0.3 |
| Malta | -2.3 | Estonia | 0.0 |
| Spain | -2.3 | Greece | 1.0 |
| Hungary | -2.2 | Germany | 1.2 |
| Latvia | -2.0 | Luxembourg | 1.8 |
| Portugal | -1.9 | Denmark | 3.6 |

**Source:** Eurostat Government Statistics (2015)

## Interpretation

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

## Technical Notes

The structural balance cannot be observed directly. 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 a number of factors such as the 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 deficit with the residual component identified as 'structural'.

## Source(s):

European Commission (2015) Cyclical Adjustment on Budget Balances – Spring 2015: **http://ec.europa.eu/economy_finance/db_indicators/gen_gov_data/adjustment/index_en.htm**

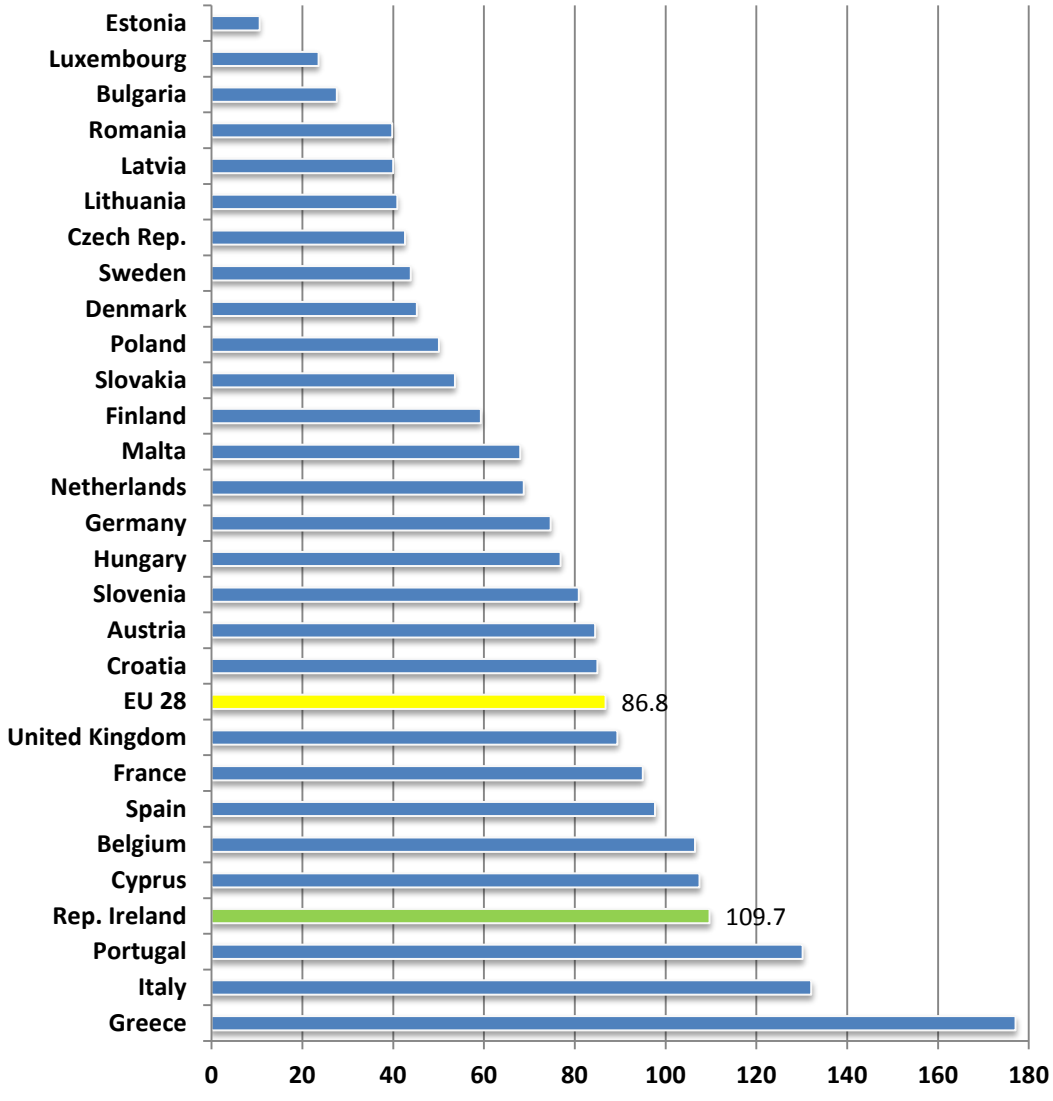
# Indicator 6.4 General Government Gross Debt as % of GDP, EU member states, 2014

## Indicator defined

Gross General Government Debt as % of GDP

Data is the latest available as of 16 September 2015

### QEF Chart 6.4 Gross General Government Debt as a % of GDP, 2014




**Source:** Eurostat Government Statistics (2015)

## QEF Table 6.4 General Government Gross Debt as % of GDP, 2014

| Country | % | Country | % |
|---|---|---|---|
| Greece | 177.1 | Netherlands | 68.8 |
| Italy | 132.1 | Malta | 68.0 |
| Portugal | 130.2 | Finland | 59.3 |
| **Rep. Ireland** | **109.7** | Slovakia | 53.6 |
| Cyprus | 107.5 | Poland | 50.1 |
| Belgium | 106.5 | Denmark | 45.2 |
| Spain | 97.7 | Sweden | 43.9 |
| France | 95.0 | Czech Rep. | 42.6 |
| United Kingdom | 89.4 | Lithuania | 40.9 |
| EU 28 | 86.8 | Latvia | 40.0 |
| Croatia | 85.0 | Romania | 39.8 |
| Austria | 84.5 | Bulgaria | 27.6 |
| Slovenia | 80.9 | Luxembourg | 23.6 |
| Hungary | 76.9 | Estonia | 10.6 |
| Germany | 74.7 | | |

**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 2014 the Republic of Ireland at 109.7% 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 ESA2010): currency and deposits, debt securities and loans.

## Source(s)

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

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